Daily Report

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Rio Group Summit Opens; Aylwin Speaks

PY1510154593 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1217 GMT 15 Oct 93

[Text] Mr. Presidents, foreign ministers, your excellencies, ladies and gentlemen. The Chilean people and government are very satisfied to receive in our territory the chiefs of state and government of the Rio Group. These countries that have things in common share not only the same inheritance but also aspire, as a group, to basic values to jointly forge the future they seek. In the name of the Chilean people I thank you for the honor you have bestowed on us, and I warmly welcome you to our country.

We are meeting at a moment of hope for the political and economic future of the region and of sincere consolidation in our regional group. I said hope because the countries of Latin America and the Caribbean keep alive their firm commitment to democracy. They have resumed the path of growth and development, and they are becoming increasingly aware of the compelling need for social equality. I said consolidation because the Rio Group has become the main political forum of the Latin American and Caribbean countries, allowing them to reach valuable agreements and make proposals to jointly approach the problems of our peoples.

Barely seven years ago the first Rio Group presidential summit was held in a very different context. Latin America was living through one of the most difficult and stormy stages of its history. Latin American economies were affected by a crisis marked by the worst stage of old economic and social unbalances, internal recession, simultaneous and persistent deterioration of production and savings, a drop in real income, and, of course, the heavy foreign debt burden.

Even though democracy already had extended to the region, in several countries, including Chile, basic liberties still were denied and authoritarian regimes remained in power. Central America remained mired in an inexplicable conflict that only seemed to become worse. In the same manner, several countries in our region remained disassociated from this important mechanism of political consultation and understanding, limiting its function as regional interlocutor before other countries and groups of countries.

Seven years since then, the regional panorama seems to be more encouraging, even though important challenges still exist. Democracy has extended to nearly all Latin American countries. Sister countries have managed to overcome institutional situations with admirable strength and success serious, maintaining the constitutional order and the state of law. The respect for human rights has become a rule and not an exception.

Despite the complexity of the transitions that have taken place within very difficult contexts, populism and authoritarianism—be it from either the left or right—have lost their power of attraction in Latin America. There increasingly exists greater consensus on the main principles that must rule the political lives of our countries.

We also are living through more encouraging moments in the economic field. We have passed from a lost decade to a decade of hope. Despite the pessimistic and even catastrophic forecasts on the possibility of recovery in Latin America, the region demonstrated that it is capable of overcoming the challenges that have turned up, and with an unprecedented decision it has tackled the reforms necessary to streamline its economies, modernize its productive structure, broaden its export base, and begin to meet the challenges of social justice.

We are recovering economic figures that not very long ago had made us one of the areas of greatest economic growth in the world. We are gradually joining a world economy that is increasingly becoming more integrated and interdependent.

The transformation of our economies has been done at a very high cost to our people. We were affected by adverse and not-too-favorable international economic situations, particularly during the past few years. But we learned that protests or rhetorical complains regarding the international order do not help us advance on the path to development. We are assuming our own responsibilities in a more direct and mature way.

Our regional links are getting stronger. Central American countries were able to overcome the threat of a regional war of unforeseeable consequences, and have reiterated their trust in dialogue and reconciliation as the only way to overcome the grave problems still afflicting some of their countries.

The entire region shows an unheard-of desire to overcome old border disputes. Rivalries inherited from the past century are surrendering to shared interests and values and the needs resulting from interdependence.

The Rio Group's evolution faithfully reflects the new spirit of regional cooperation taking over our nations. Even though we do not claim to represent the entire South American and Caribbean region, it is difficult to conceive a broader and more appropriate forum for the articulation of our regional political cooperation. This has been understood by some of our most important world partners, whom our ministers meet regularly for dialogue that we consider increasingly important.

This favorable regional situation should not lead us to drop our guard or relax. There is still a lot to do. Our democracies are not complete. Many of our political institutions are not strong enough to confront the challenges of the next century. Political power sometimes seems too distant from common citizens' concerns and interests. Our societies show very deep social inequalities. We have experienced important technological progress, but we still have large groups of people who remain practically on the sidelines of modern life's benefits.

State institutions need important changes. We cannot do without the state's essential regulating role in today's world. But this role must develop in a more efficient and technologically advanced manner, and fully abide by the principle of public service probity. We must streamline the collective mechanisms we have developed to promote the defense of democracy and human rights. During the 1991 OAS General Assembly in this city, our countries made decisive contributions to the adoption of the Santiago commitment on democracy and the renewal of the inter-American system and the resolution on representative democracy. These instruments created a mechanism for automatic response to processes interrupting the legal democratic system in any OAS nation, which was used at various opportunities. This mechanism's value has been proven by experience, even though we still have a lot of room for improving it.

Beyond these legal, formal instruments, our countries have strongly and realistically reacted to the breaks or threats to break democratic institutions in the nations making up our group or in the rest of the Latin American region. We know that democracy cannot be imposed from the outside, but we also know that external support and solidarity are essential for preserving it.

We have acted firmly but also with prudence. We have made great efforts to adopt decisions by consensus on issues that are usually difficult and very sensible to our countries. The results have been better than expected at the beginning, and, even considering its numerous limitations, they are satisfactory.

At this point it seem appropriate to reflect on the issue of cooperation for consolidating democracy. We must place more emphasis on preventive cooperation, that is, measures contributing to strengthening democratic values in our societies, measures pointing to consolidating our institutions.

We cannot lie back and do nothing while voices are raised against distressing problems confronting the construction and reconstruction of democratic systems in some sister nations of Central America and the Caribbean. We must strengthen our ability to act in unison to provide timely and effective aid and to contribute to the institution of economic and social reforms that make a lasting democracy feasible. An endeavor along these lines also would open up an interesting possibility to cooperate with our friends and partners all over the world with whom we share common political values.

We are well aware that the promotion and strengthening of democracy constitutes a complex and delicate task in a world made up of sovereign states. We know that nonintervention is a central concept in our region's history that should not and must not be impugned. Notwithstanding this, we would like to point out that we cannot tolerate nonintervention being raised as a retaining wall to go against respect for democracy and human rights—principles all our nations have committed themselves to respecting by means of international agreements.

Moreover, cooperation to buttress democracy must be established on a voluntary basis, both from the offerers' and beneficiaries' standpoints. The hectic pace of history continues unabated, as seen by the endless whirl of world changes that began at the close of the 80's. The crumbling of ideological barriers in Europe now is being followed by an encouraging peace process in the Middle East, which gives rise to admiration and rejoicing and also has a deep meaning for the whole world.

Latin America and the Caribbean cannot remain indifferent in the face of the changes taking place beyond our borders. We live in an increasingly interdependent world, which is also characterized by much uncertainty. Consultation between our countries and contacts and meetings with our major foreign interlocutors are growing in importance and usefulness. This is all the more important if we intend to speak with our own voice and step up our participation in the international system currently taking shape. Our region must continue strengthening its interlocutory ability to communicate with the rest of the world by combining bilateral and multilateral contacts in a flexible and creative way.

The dialogue our group has had in the last year with other foreign countries has been most fruitful. On the one hand, they have given us an opportunity to exchange views and define positions at a time when the international scene is quickly changing to give way to new spaces for cooperation and association. On the other hand, it enabled us to broach issues that hold a special interest for us and to explore new possibilities for cooperation with countries or groups of countries that are very significant for the region.

Our traditional dialogue with the European Community and its members—the first dialogue initiated by our group—continues to be useful, even if we do not always see that our expectations have been met, especially in the commercial area. We note with satisfaction the opening of a new forum for our dialogue with Japan, a power that maintains an ever-increasing presence in our region. We feel confident that in a near future similar channels of communication will be established with some other partners of special interest for Latin America.

Our countries also should lift their voices concerning the most important global political changes looming on the horizon. We must contribute to shaping a new consensus at the regional and global levels on questions vital to our future like the protection of human rights, the preservation of the environment, the struggle against terrorism and the peddling of illegal drugs, and the establishment of a climate of greater security and trust among nations.

We are now able to make this contribution. Our region is not mired in the uncertain situation that characterizes the current international system. While other regions are torn apart by old ethnic and religious disputes, Latin

American and Caribbean countries are achieving stability and strengthening their cooperation mechanisms.

We are making important progress to improve our regional security. We have achieved significant advances in consolidating in Latin America a region free from nuclear weapons and weapons of mass destruction.

Through diverse but similar paths our countries are taking important steps to achieve greater economic integration. Through open, gradual, flexible, and pragmatic processes we are decisively heading toward a more unified, although not necessarily uniform, Latin America.

The new regional structure is now in the full process of being designed. The paths we have chosen sometime surpass the framework established by the respective agreements. Investments experience substantial growth before investment protection agreements or treaties and commercial agreements are enforced. Trade grows, surpassing regional or bilateral areas. The services market increases without preestablished regulations.

This trend should not cause surprise. Real integration, not rhetoric, demands a truly significant flow of goods and services. It also demands a more solid and efficient physical infrastructure. The fact that these efforts surpass formal institutions and agreements is not necessarily something negative. However, this situation does reveal the compelling need for regional integration and cooperation to quickly adjust to the new situation and to reflect in their actions the extraordinary dynamism currently generated in the private sector and official negotiations.

It also shows the need to understand that there is no single model or path to achieve integration but multiple and plural approaches that encompass bilateral, subregional, regional, and hemispheric negotiations. This reality presupposes the urgency of coordinating the diverse programs that have been implemented in a flexible and realistic manner.

Moreover, we must firmly support our commitment to upholding open regionalism. This principle postulates the need for achieving regional agreements as mechanisms to expand trade and investments, and also the need for these agreements to be fully congruent with the liberalization of regional and world trade.

Although it is important to continue persevering in our current task, integration is not solely based on the liberalization of reciprocal trade or the promotion of services. We must continue to overthrow those barriers that block our trade, promote the active participation of business sectors, and make the necessary readjustments in our infrastructure to overcome the formidable geographic obstacles that often challenge us.

All this will be insufficient if we are not also concerned about the other areas that comprise a true integration process. We must consolidate our political dialogue and strengthen our alliance on international issues. We must strive to build our cultural patrimony, harmonize our educational systems, and generate a favorable atmosphere to enhance and strengthen common ties to overcome whatever may have separated us in the past.

Science knows no borders and it has become an important building block in the difficult but ever increasing path of regional integration. The existence of similar problems and complementary capabilities in science and technology open a fertile cooperative field.

Only if we join our limited resources and infrastructure will it be possible for our region to attain truly significant scientific and technological development.

Our vision of integration for the next century should be based on a comprehensive approach including all these areas and factors.

We are confronted with a difficult economic context marked by recessive trends that have affected some of the main world markets.

At a time when the liberalization of our economies is consolidating, and when it is yielding fruits, we see that protectionism is worsening. Today our exports have major obstacles in developed world markets. Multiple and high tariffs and restrictions are limiting our exports.

It is essential that the rhetoric of free trade translate into real facts.

The fate of Latin American economies, which are increasingly open to the world, is linked to the liberalization of world trade, specifically to the success of the Uruguay Round of talks.

The constructive approach we have adopted for building a more open multilateral trade system is in contrast to the inactivity of some of the world's largest commercial powers. We should worry that the objective of several industrialized countries is to weaken the new rules that have been negotiated, and to strongly limit the minor results that might be obtained in the area of agricultural and livestock trade.

A nondiscriminatory, reinforced multilateral system of commerce is essential for the healthy development of our economies.

The new international commerce agenda, which should be addressed after the Uruguay Round of talks, covers at least two subjects we have to observe carefully and on which we should be ready to take the initiative.

One of those subjects deals with the relationship between environment and commerce. It is essential to reach a balance between environmental preservation and the promotion of freer, nondiscriminatory commerce.

The other subject deals with the need to assure that all nations properly promote the healthy and open operation of their own markets, preventing practices against

free internal competition from undermining or eliminating the benefits of international commerce.

We also are concerned about the trends that may lead to the creation of isolated commercial blocs. Our countries should not contribute to the formation of such blocs.

On the contrary, we want to join the world economy on a diversified and balanced basis. We are determined to make our contribution to promote multilateral systems.

Our economic aspirations can only be meaningful if they can substantively improve the living conditions of the large majorities of our countries.

Economic growth and social justice are two elements of one single equation. Without growth, poverty is the only thing to be distributed. Without sustained efforts toward social equality, economic growth not only loses its raison d'etre but also is threatened by the tension caused by the hardships affecting vast sectors of the population.

It is necessary to adopt a broad concept of social development that will allow Latin America and the Caribbean to work on the three main objectives of the world summit on social development, which will be held in Copenhagen in 1995: to promote social integration, mitigate and reduce poverty, and increase productive employment.

For this purpose, an integrated approach is necessary in order to cover productive transformation and equality in a simultaneous and supplemental manner.

Poverty remains our region's most dramatic problem. It is estimated that at the beginning of the 1990's some 200 million Latin Americans—that is, 46 percent of the total population—were unable to meet their basic needs, while 94 million—22 percent of the population—lived in extreme poverty.

The phenomenon of poverty has spread to sectors of the population who work in the administration and in small and large enterprises, that is, outside the lower productivity sectors of the labor market.

These figures should not promote discouragement and fatalism among us. Economic and social progress generate a unique opportunity for increasing unity within society.

There are true possibilities for closing the virtuous circle of development and social integration. We must seek approaches that can innovatively coordinate economic and social policies, in a context of sustainable development in which democracy is strengthened.

At the same time, the globalization of the economy and communications, and the multinational magnitude of social phenomena—like migration and environmental problems—show that it is impossible to isolate social problems as a domestic issue.

Major opportunities have been opened for international and regional cooperation in the area of social development. We must develop a new approach to meet this challenge that—in my opinion—is the biggest challenge ahead of us.

It is necessary to rule out the idea that economic development alone can produce new situations of social balance, reduce the gap between developed and developing countries, and create a world of peace and prosperity. Experience has shown that this is not true.

Such objectives will be accomplished with efficient policies that seek social equality.

We are convinced that our countries have much potential for cooperation in the area of social development.

We must rapidly implement a Latin American program for promoting social integration. Our experts have made significant progress in this field within the Rio Group.

I call upon my colleagues to fully assume this challenge, offering their experience and their political will.

Messrs. Presidents:

We have a difficult but remarkably interesting agenda. Today more than ever we must try for the Rio Group to be up to the challenges that have been posed to us.

Today Chile is a country that is open to the region and the world. Chile has assumed its responsibilities as a member of this group.

Based on an internal process built upon the values of tolerance, reconciliation between old adversaries, and the need for a great national consensus, we want to make our own contribution to an international order that should be more just and should allow for the promotion of freedom and the creativity of our citizens.

Chile offers its hospitality to the sister republics of Latin America and the Caribbean for this meeting. Chile promises to determinedly continue to strengthen the activities of our permanent mechanism for political consultation and coordination. Thank you very much. [applause]

Caricom, Latin Leaders Support UN Sanctions on Haiti

FL1510184493 Bridgetown CANA in English 1517 GMT 15 Oct 93

[Text] Port of Spain, Trinidad, Oct 15, CANA—Seventeen Caribbean and Latin American countries have supported United Nations re-imposed sanctions against the military-backed regime in Haiti, after thugs thwarted the arrival of American military personnel this week.

The 13 heads of government in the Caribbean Community (Caricom) and leaders of Suriname, Mexico, Colombia, and Venezuela who met in Trinidad for a

special summit, unanimously agreed to support renewed sanctions by the U.N. which is supervising a return to democratic government in the troubled Caribbean country. Colombia's President Cesar Gaviria told journalists the leaders were prepared to support the reintroduction of sanctions based on a report by the U.N. Secreatry General Butrus Butrus-Ghali.

"We've seen things (fighting in Haiti) on the televison. We've seen indications in interim reports but it is the report of the secretary general saying that those developments constitute an abrogation of the Governors Island Accord and on the basis of that the security council will be justified in re-imposing sanctions," Caricom's Secretary General Dr. Edwin Carrington told reporters.

A Caricom leaders declaration on Haiti, issued Wednesday night, said: "We condemn the continuing intimidation of the local population, the representatives of the UN-OAS civilian mission, and members of the press in Haiti to assist in the transition of democracy."

The leaders said they believed escalating violence in Haiti was aimed at, "frustrating the restoration of the democratic process". President Jean Bertrand Aristide, the first democratically-elected leader of Haiti, was toppled in a coup led by military leaders Raoul Cedras. Under a U.N. brokered accord in July, Cedras agreed to step down and allow Aristide to resume leadership.

Rio Group Voices 'Deep Concern', Supports UN

PY1610002793 Madrid EFE in Spanish 2355 GMT 15 Oct 93

[Text] Santiago, Chile, 15 Oct (EFE)—The 11 Latin American presidents who met for the seventh Rio Group presidential summit today accused the rulers of Haiti of having broken the agreements for the reinstatement of ousted President Jean-Bertrand Aristide, and lent their support to the decision by the United Nations to impose sanctions against Haiti.

In their first official declaration, which they decided to release earlier in view of the situation in Haiti, the Latin American presidents voiced their "deep concern" over the latest violent events in the Caribbean country.

Chilean Foreign Minister Enrique Silva Cimma also announced in a news conference that the visit which he and his Latin American counterparts had been planning to pay to Haiti on 30 October, when Aristide was scheduled to return to his country, had been suspended.

The suspension of the foreign ministers' trip will be reconsidered only if the conditions prevailing in Haiti change radically in favor of democracy, Silva Cimma added.

The Rio Group declaration added that in view of the failure to comply with the agreement "to reinstate constitutional President" Aristide, the group has decided to lend its support to the recent resolution by the UN Security Council to once again impose sanctions against Haiti, starting 18 October, unless the rulers of the country change their position before then.

The Rio Group also reiterated its willingness "to cooperate toward the reestablishment of a constitutional and democratic system in Haiti within the framework of any additional measures that the United Nations and the OAS may implement."

Silva Cimma explained that the 11 presidents who are meeting in Chile this weekend decided to release their declaration on Haiti one day earlier "in view of the seriousness of the events which are taking place" in that country.

The other Rio Group resolutions on political, social, and economic matters will be released tomorrow through the "Declaration of Santiago."

Colombian Minister on Trade Liberalization, NAFTA

PA1510144293 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 14 Oct 93

[Telephone interview with Colombian Foreign Trade Minister Juan Manuel Santos, attending the Rio Group Summit in Santiago, Chile, by Dario Arizmendi in Santa Fe de Bogota; from the "Caracol Quarter of an Hour" newscast—live]

[Text] [Arizmendi] Colombia, Mexico, and Venezuela have agreed to implement as of 1 January 1994 a 10-year trade liberalization program, and they have urged the U.S. Congress to ratify NAFTA [North American Free Trade Agreement] to prevent the deterioration of the new relationship between Washington and its southern neighbors. The agreement was reached by the presidents of Colombia, Mexico, and Venezuela—member-nations of the Group of Three [G-3]—during the summit that was held in Port of Spain, the capital of Trinidad and Tobago. This is why we will talk with Colombian Foreign Trade Minister Juan Manuel Santos, who played a pivotal role in this significant agreement. Good Morning, Dr. Santos.

[Santos] Good Morning, Dario.

[Arizmendi] Can so much good news be true?

[Santos] Fortunately, yes. All this good news is true. After an entire year of negotiations, this agreement—which basically involves a 10-year total trade liberalization program among Venezuela, Colombia, and Mexico—was reached.

[Arizmendi] How will this program evolve?

[Santos] It will be very simple because it will be accomplished linearly. In other words, each year there will be a 10-percent reduction from the current tariffs each country has. For instance, a product that currently has a 20-percent tariff will have a 10-percent tariff reduction the following year, and so on.

[Arizmendi] Therefore in two years, according to the example you have given us, the tariff for this product would reach zero?

[Santos] No, I am referring to 10 percent of the tariff. Therefore, it would be 2 percent in the case of a 20-percent tariff.

[Arizmendi] Will the timetable still be 10 years?

[Santos] Yes, it will be 10 years.

[Arizmendi] What obstacles or difficulties could arise during the implementation of this highly significant agreement?

[Santos] I do not foresee any obstacles. This agreement is not merely commercial in nature; for example, it also involves investment and copyright issues. There are a few topics that still need additional work. Consequently, the presidents gave instructions to the foreign trade ministers to resolve these negotiations before 31 October. We will meet in New York on 27 October, and three days before that meeting, the technical groups will meet to make arrangements in order that by 31 October the agreement will be ready for the lawyers to begin their work. The agreement should be ready to be signed by the presidents by 15 November. This date has not yet been finalized, but we are thinking in terms of mid-November. There is no major prohibition or obstacle. The details of the agreement are more or less resolved. What we must do is to speed up our work and get ready to increase our exports to Mexico, which is a very profitable market for us.

[Arizmendi] Minister, according to a REUTER report citing a statement allegedly made by President Cesar Gaviria, he said that the country would be willing to open its markets to Caricom [Caribbean Common Market] nations and to allow Caricom to open its markets to us, but at a later date. Through this, we would try to compensate for the difference in economic development among our nations. The fact that Colombia is making concessions to lesser developed countries is commendable. My question is this: Why has Colombia not requested preferential treatment regarding Mexico in the G-3 agreement?

[Santos] The report is mistaken in this area because we have requested and have received preferential treatment. Why? Because those products that are covered by the agreement, by the so-called partial scope agreements of the ALADI [Latin American Integration Association] begin their tariff reduction at their current levels, and because of the development differences—differences between Mexico and Colombia, as well as between Mexico and Venezuela—there are many more Mexican products whose duties have been reduced than Colombian products. Therefore, the duties for those products will decrease faster in Mexico than in Colombia. This is the answer to your question regarding the G-3.

[Arizmendi] Minister Santos, the newspaper EL ESPECTADOR shows on the front page of today's issue the following headline: Andean Tier Erodes. The report says Venezuela has requested a further delay in the implementation of the tier system regarding prices of agricultural products. What is the truth behind this?

[Santos] If you read the report, you will realize that there is a group or a union in Venezuela for which the ministers, who are meeting in Caracas, have made allowances regarding a specific product—namely, milk. I think the ministers will decide on this today. My hope is that what was agreed upon in the Cartagena Agreement will not experience much change. Therefore, when the Commission on the Cartagena Agreement meets here in Santa Fe de Bogota on 20 and 21 October, we will be able to make a formal decision to adopt common tariffs for the three countries regarding tier system pricing on agricultural products, which will help facilitate the integration process by removing what we could describe as a thorn—the difference in the three countries' agricultural tariffs.

Mexico, Chile To Broaden Free Trade Agreement

PA1510132493 Mexico City NOTIMEX in Spanish 2234 GMT 14 Oct 93

[Article by Rocio Santana]

[Text] Santiago, Chile, 14 Oct (NOTIMEX)—Mexican Commerce Secretary Jaime Serra Puche announced here today that Mexico and Chile will begin negotiations to broaden the scope of their free trade agreement.

Questioned by reporters following a meeting between Mexican President Carlos Salinas de Gortari and Chilean and Mexican businessmen, Serra Puche said that the decision was made in response to a request from businessmen of those two countries to broaden the agreement. Serra Puche said Mexico and Chile not only want to discuss the flow of goods, but also to broaden the agreement to include services, investments, copyrights, and other topics.

Serra Puche emphasized that tariffs on all products are scheduled to be reduced gradually until 1996, when a zero-level tariff will be reached. A gradual reduction in tariffs implies that as obstacles disappear, the flow of exports and imports between Mexico and Chile will increase. At the end of 1992, the trade balance favored Mexico by more than $55 million.

The Mexican official pointed out that since the signing of the trade agreement, Mexican and Chilean sales have increased and that there has been 23-25-percent increase in Mexican exports.

The trade agreement has encouraged the diversification of trade, and Mexico now exports automobiles, trucks, petrochemicals, and manufactured goods to Chile, while it primarily buys raw materials such as agricultural-livestock products, wood, and others.

On 14 October, Salinas de Gortari will conclude an official visit to Chile, which began on 13 October. He then will attend the latest Rio Group Summit, which will take place 15-16 October right here in Santiago. The Mexican President arrived in Santiago on 13 October from Port of Spain—the capital of Trinidad and Tobago—where he attended separate and joint meetings of the Group of Three and the Caribbean Community.

Closure of GATT 'at Just Any Price' Opposed by Rio Group

PY1510195593 Madrid EFE in Spanish 1548 GMT 15 Oct 93

[Text] Santiago, 15 Oct (EFE)—Uruguayan Foreign Minister Sergio Abreu, the Rio Group spokesman before GATT, has said in Santiago that the member countries of the Rio Group are opposed to concluding "at just any price" the Uruguay round of GATT talks.

"The developing countries do not accept the conditions for concluding the round of talks if they are left to pay the bill," Abreu added. The minister is participating in the Rio Group summit that was inaugurated in Santiago today.

The Uruguayan minister told LA EPOCA, however, that he was "moderately optimistic" about a positive conclusion to the Uruguay round of GATT talks scheduled for 15 December.

Abreu said that the success of the GATT round is conditioned to respect for the principle of multilateral application, access to agriculture markets, and disciplines that guarantee the rights of all nations in the international field.

Abreu said these conditions are included in the Final Act proposed by the previous GATT directors which, although they do not fully reflect the interests of the developing countries, are supported by the Rio Group.

The Uruguayan foreign minister will report on the results of his GATT negotiations at the summit that is being attended by 11 presidents in Santiago. He reiterated the rejection by the Rio Group to the "Blair House" agricultural agreement between the United States and the EC and the French proposal to withdraw the agricultural question from the negotiations.

The foreign minister recalled that developing countries have carried out important efforts to introduce structural changes into their economies, paying high social and political costs without receiving in exchange any concession from developing countries.

Abreu added that barriers against free trade affect the democratic processes "because our internal systems are pressured by conflicting elements resulting from the economic needs that derive from protectionist measures."

Abreu said the Rio Group advocates global and balanced measures within GATT, multilateral trade regulations, and more clarity.

The Uruguayan minister said: "We appeal to the seriousness and the political decision of the developing countries so as to conclude the GATT round based on the principle of multilateral trade regulations," warning that the world could be confronted with a trade war that will affect everyone, particularly the less developed countries.

A report on these proposals was delivered to the commercial authorities of the EC, Japan, and United States, with whom the foreign minister held a round of meetings at the end of September.

Bolivia Interested in NAFTA, Uruguay Round of GATT

PY1610201593 Madrid EFE in Spanish 2136 GMT 15 Oct 93

[Text] Santiago, 15 Oct (EFE)—Bolivia today expressed its fundamental interest in the successful conclusion of the Uruguay Round of GATT and of the North American Free Trade Agreement (NAFTA) during the seventh Rio Group summit being held in Santiago de Chile.

This report was released to reporters by Bolivian Foreign Minister Antonio Aranibar who added that his country, like the rest of the Rio Group members, feels that the conclusion of the Uruguay Round of GATT "must be placed in the field of multilateral relations which is unfortunately running the risk of being lost."

The Bolivian foreign minister added that the Uruguay Round and NAFTA—which includes Mexico, the United States, and Canada—have taken up most of the summit's deliberations.

Aranibar added: "We insisted, and so did the Rio Group countries, on the importance of a successful conclusion of this round, and this is one of the key issues of concern and of the common political willingness of the chiefs of state who are gathered here."

He added that NAFTA is another of the central Bolivian concerns because of its significance and scope in the political and economic areas for the entire region.

He recalled that Bolivian President Gonzalo Sanchez de Lozada has stressed the importance of a treaty of that nature, which for the first time unites "rich countries with poor countries, Saxon countries with a Latin country, that is, countries of the north with one of the south."

Aranibar added that his country will host the 10th Rio Group summit in Cochabamba in 1996, which represents, he said, the group's "tremendous support" for Bolivian democracy.

Concerning relations between Chile and Bolivia, as well as Bolivia's landlocked situation, Aranibar said that his country "has not come to negotiate, but to talk, to listen, and to be heard."

He said that a broad and frank dialogue on the matter was established in the bilateral contacts between Chile and Bolivia during this summit.

He reasserted that the Bolivian president has always proposed the issue with the conviction that "the possibility of an optimum and sovereign Bolivian access to the Pacific Ocean can only be the result of reason and not of force, of solidarity and not of confrontation."

Bolivia lost its Pacific seacoast following a war it waged with Peru against Chile in 1879.

The Bolivian foreign minister added that the foreign ministers of Urupabol, an integration organization which includes Uruguay, Paraguay, and Bolivia and which has not functioned for several years, have decided to reorganize the group in compliance with an international context that increasingly demands more integration.

The formal reorganization of Urupabol will be carried out tomorrow during a special ceremony which will be attended by Bolivian Foreign Minister Antonio Aranibar, Uruguayan Foreign Minister Sergio Abreu, and Paraguayan Foreign Minister Diogenes Martinez.

He added that these three ministers, in addition to Argentine Foreign Minister Guido di Tella and Brazilian Foreign Minister Celso Nunes Amorim, met today with IDB President Enrique Iglesias to whom they submitted a resolution on financing the Paraguay-Parana waterway.

Lacalle Discusses Trade at Rio Group Summit

PY1610195893 Montevideo Radio El Espectador Network in Spanish 0000 GMT 16 Oct 93

[Text] In a speech delivered today, President Luis Alberto Lacalle, who has been attending the Rio Group Summit in Santiago, commented on the Uruguay Round of GATT in a very concrete and clear manner.

[Begin recording, in progress] ... you must realize that the Uruguay Round began in the same year. We have been negotiating the Uruguay Round for seven years. For seven years, we have been meeting with the EC and they have been saying that they have great respect for the Latin American project to open markets. We have been meeting with the United States and they have been saying that the opening of our economy is magnificent. They have been praising our decision to reduce customs fees, the way we have been paying our debts, and how well we have been complying with certain rules that are often not complied with in these countries. [Words indistinct] in Asia and try in the Pacific countries the yearned for and (?natural) political and economic opening. They tell us that we are doing well, but our products cannot enter their markets. They do not reduce the customs fees and difficulties continue to exist.

Therefore, when we have to run for reelection, what will we tell the people? They will ask us what we did with political power and why these political measures were not reflected in the economic and social areas. In the next 60 days, we will have to do something or clearly deem responsible those who do not want to do something. [Passage indistinct] No country's economy can be improved by reducing the interest rate because [words indistinct] not the local ones but only those assumed by the entire community are credible.

There is no better policy for my country. Our fiscal deficit has been reduced to zero. [Passage indistinct] with a very heavy fiscal policy. There is no better national policy than economic opening and any of you fellow presidents can confirm that.

What is happening is that politically there is a double discourse in the world. There is an external attitude and a domestic attitude. In my opinion, this summit will have to [passage indistinct] tomorrow is that in the next meeting with the EC and in the next meeting of the Uruguay Round, the Rio Group will have a single political will. [Words indistinct] assume certain duties: not to purchase subsidized products, not to open the doors to the countries that grant subsidies, because we will also have to consider the [words indistinct].

This is the preeminent political issue. [Words indistinct] in the upcoming meetings their social and economic consequences [words indistinct], but this is what I was elected for: to make my country more prosperous through a democratic government. If I do not succeed in this task, if we do not succeed in it, there will be other voices stating that the democratic system is not good. There will be voices claiming that the current legitimacy is not effective. And, as you know very well, these voices are never very far away. [end recording]

Mexico's Salinas Comments on Free Trade, NAFTA

PY1610201193 Santiago Radio Cooperativa Network in Spanish 1600 GMT 16 Oct 93

[Excerpts] Other important Rio Group related events were the homage paid by Ecuadoran President Sixto Duran-Ballen to Chilean citizen Felipe Herrera, former president and founder of the Inter-American Development Bank; and Uruguayan President Luis Alberto Lacalle's recognition, in the name of all presidents, of the work done by the Chilean president.

We know, Lacalle said, that you have accomplished one of the most difficult tasks in Latin American history, showing skill, ingenuity, and calm judgment when necessary. We recognize these values in you as a ruler and as a person. All the elements of what we would like to be are

characteristic of you: a Christian, a man of good will, a proven democrat, the head of a family, and a gentleman. [passage omitted]

Mexican President Carlos Salinas de Gortari said that relations between Chile and Mexico are at their peak. Salinas made this remark during a brief meeting with reporters at a downtown hotel. The Mexican president said the two countries' political, economic, and social relations have improved.

[Begin Salinas recording] The result of my visit to Chile shows that Mexican and Chilean relations are at their peak. I met with President Patricio Aylwin on 12 occasions. Our meetings paved the way for strengthening the political dialogue, for closer links, and for agreements on initiatives in the diplomatic, political, economic, and social fields. Mexico, as you all know, signed a free trade agreement with Chile before doing the same with any other country. The Mexican-Chilean agreement has been in effect since January 1992, permitting a trade increase of over 40 percent in a single year. [end recording]

The Mexican president added that the Chilean and Mexican governments signed documents for the creation of a permanent binational commission to discuss issues like communications, forestry cooperation, technical cooperation between financial organizations, and tourism. Salinas said that the North American Free Trade Agreement [NAFTA) which is about to enter into effect was very important, not only for the countries involved—Mexico, Canada, and the United States—but also for the whole of Latin America.

[Begin Salinas recording] NAFTA is important for the whole of Latin America. This is so for three reasons: first, because from the Latin American viewpoint, the free trade agreement goes beyond a simple commercial treaty, and represents a new type of relation between the United States and Latin America; second, because the free trade agreement has a clause of access or membership that will permit, in time and once it has been ratified, the entry of different Latin American countries; and third, because Latin America sees the free trade agreement as a truly important option for transforming the entire hemisphere, the entire continent, into a larger economic area capable of competing with other integrated economic regions in the world. [end recording]

Salinas added that Latin American peoples are eagerly awaiting the decision by the U.S. Congress in order to determine whether this country will have a newly constructive and respectful attitude toward its neighbors in the continent.

Asked if Cuba could eventually be incorporated into the free trade agreement, something Rio Group members are looking forward to, Salinas said that Latin American relations admit no exclusions.

Salinas Says Latin America Wants Free Trade, Not Aid

PA1710195793 Mexico City NOTIMEX in Spanish 1941 GMT 16 Oct 93

[Report by Rocio Santana]

[Text] Santiago, 16 Oct (NOTIMEX)—Mexican President Carlos Salinas de Gortari clarified today that the Latin American countries do not want aid, but rather access to free trade and social integration. Latin America "does not want aid but free trade and a social integration," the president affirmed. He added that "in this case, no country will be excluded."

In a news conference held at the end of the seventh Rio Group presidential summit, which was held Friday and Saturday in the Chilean capital, Salinas de Gortari stated that the Rio Group's pronouncement is in favor of change.

"One option would definitely be social liberalism," he noted. President Salinas explained that the Rio Group rejected the return of "orthodox liberalism" and "disguised populism" to Latin America, because they would only lead to failure. The Rio Group concluded that orthodox liberalism and populism, systems that governed in the past, did not produce social justice but did cause economic disorders and social frustration, the president added. The Latin American proposal, he said, is in favor of justice, liberty, and democracy as an indispensable path to strengthening the results in the economic area and to fight poverty.

After expressing his concern over the protectionist trends observed in some industrialized countries, he asserted that the Rio Group agrees that protectionism is the prelude of commercial wars. "Therefore, (protectionism) is the worst scenario for the end of the 20th century." Salinas de Gortari affirmed that the only thing Mexico has negotiated and will accept in its international economic relations is "trade, free trade, having a free flow and exchange of goods and services."

He explained that there will be no exclusions from this commercial framework, in response to a question on the absence of the discussion of the Cuban issue as part of the seventh Rio Group presidential summit.

Latin America does not want a closed [economic] bloc, because the initiative is in favor of free exchange among all regions with possibilities of integration, the president concluded.

Ex-Andean Presidents: Corruption Poses Threat to Democracy

PA1610210893 Quito Voz de los Andes in Spanish 1200 GMT 13 Oct 93

[From the "Voice of the Andes" newscast]

[Text] Five former presidents of the Andean subregion have reached the conclusion that administrative corruption poses a real threat to Latin America's democracy and must be combated with every available means. Corruption is a scourge that eats at democratic systems and weakens their revitalization process, said Belisario Betancur, president of Colombia from 1982 to 1986.

The former presidents warned that checking corruption is a long-term task, because the problem deals not only with laws to be enacted but with gradually changing habits, values, and interests of public officials in Latin America as well.

Ecuador's Duran-Ballen Wants Cuba Included in Summit Debates

PY1610025693 Madrid EFE in Spanish 2135 GMT 15 Oct 93

[Text] Santiago, 15 Oct (EFE)—Ecuadoran President Sixto Duran-Ballen today asked his Latin American counterparts to include the democratization of Cuba in their debates and in the final declaration of the seventh Rio Group summit, which will end tomorrow in Santiago de Chile. Cuba has not yet been mentioned in the reports the presidents have received from their foreign ministers, nor is it mentioned in the draft copy of the "Santiago Declaration," which does include concrete references to the political crises in Haiti, Nicaragua, Guatemala, and Suriname.

Official Ecuadoran sources told EFE that Duran-Ballen told his colleagues that as they had treated those points they must also "include the Cuban issue, the democratization of which country is a hope shared by all Latin American countries."

The Ecuadoran president recalled that he had also insisted on this point at the Third Ibero-American Summit held in July 1993 in Salvador, Bahia State (Brazil), and that he felt compelled "to ratify this position now."

Moreover, and like most his colleagues from the Rio Group, Duran-Ballen criticized the industrialized countries for their protectionist practices.

Ecuador is the world's leading producer of bananas, the import of which has been restricted by the European Community (EC) since July 1993.

According to Duran-Ballen, if the seventh Rio Group summit "manages to be clear and resolute" on the need to fight protectionism, "it will have sufficiently justified this meeting."

The Ecuadoran president this morning met with his Venezuelan counterpart Ramon Jose Velasquez, with whom he discussed matters of bilateral interest and the two countries' proposals submitted to the summit.

Ecuadoran delegation sources reported in Santiago that within the next few hours Duran-Ballen will meet with Salvadoran President Alfredo Cristiani, and tomorrow with the presidents of Paraguay, Juan Carlos Wasmosy, and Colombia, Cesar Gaviria.

Colombian President on Pablo Escobar, Cuba at Rio Summit

PY1610005793 Santiago Radio Cooperativa Network in Spanish 2200 GMT 15 Oct 93

[Report by Manola Robles from the Diego Portales Building]

[Text] In a news conference granted at Diego Portales building, Colombian President Cesar Gaviria said: We have conducted intensive operations to arrest the most wanted criminal in the world, Pablo Escobar, but so far these operations have not yielded positive results. He added that the Rio Group summit will ask for a satisfactory conclusion to the Uruguay round of the GATT talks and the approval of the free trade treaty between the United States, Mexico, and Canada.

Concerning the economic blockade against Cuba, he said that the Ecuadoran president had touched on the matter. But concerning the Colombian position on Cuba, he said:

[Begin Gaviria recording] Perhaps it is obvious that we are much more actively working for a solution which somehow will lead to Cuban development, which will help Cuba to adopt economic and political measures seeking its reinstatement into the inter-American system, to adopt economic and political measures that will eventually lead to the suspension of the embargo, and above all, measures that will seek Cuban development in a peaceful and orderly manner, taking into account the willingness of the Cuban people and government. We believe this is possible. [end recording]

A reporter asked the Colombian president whether he was annoyed by the repeated questions about drug trafficker Pablo Escobar, just as President Patricio Aylwin is often asked his opinion on, or about his relationship with, General Pinochet whenever he takes a trip abroad. The Colombian president answered in this manner:

[Begin recording] Escobar is one of the most persecuted criminals in the world. Today he is the most wanted criminal in the world, and this is not because he today heads a very large drug trafficking organization. This is no longer so. He is no longer heading that large drug-trafficking organization, because his criminal organization has been reduced considerably. But symbolically he is a figure representing terrorism and drug trafficking in the country. He is one of the most wanted criminals in the world. And it is normal that when the Colombian president travels abroad he is asked about Escobar. [end recording]

In conclusion, the Colombian president termed very positive the remarks made by Chilean President Patricio

Aylwin concerning the efforts that must be made to enhance the image of the political class, to reduce corruption in Latin America, and to ensure that economic development is followed by social development. This is an important point in improving the living conditions of Latin American nations, he said.

Chile's Aylwin Praises Contacts With Bolivia's Sanchez

PY1610190293 Santiago Radio Cooperativa Network in Spanish 1600 GMT 16 Oct 93

[Text] President Patricio Aylwin has said that his contacts with Bolivia's President Gonzalo Sanchez de Lozada will benefit our two countries' relations.

Asked about any possible progress during his meetings with the Bolivian president regarding Bolivia's aspirations for a sea outlet or the resumption of diplomatic relations, Aylwin said:

[Begin recording] We had a very interesting dialogue. We talked about diverse issues affecting the governments of our respective countries, the political climate in both countries, our past problems, and the problems we must face in the future. No specific proposals—as President Sanchez de Lozada himself said—requiring a decision were brought up. I think our contacts, this conversation, and our contacts during the Rio Group meeting will be beneficial for our two countries' relations. [end recording]

Rio Group Presidents Issue Declaration Supporting Nicaragua

PY1610223093 Madrid EFE in Spanish 1829 GMT 16 Oct 93

[Text] Santiago, 16 Oct (EFE)—The 11 Rio Group heads of state and government, at the conclusion today of the seventh Rio Group presidential summit, issued a declaration supporting Nicaraguan President Violeta Barrios de Chamorro, and made a call for increased economic cooperation with that country.

The presidents, who deliberated over the course of two days in Santiago, expressed their support for Violeta Barrios de Chamorro's call, made during her recent speech at the UN General Assembly, for increased economic cooperation with her country.

The presidents also expressed their willingness to maintain their decisive support for that country with the aim of contributing to a solution to Nicaraguan problems.

The Rio Group urges the international community and financial organizations, particularly the World Bank, the IMF, and the Inter-American Development Bank (IDB), to treat Nicaragua in accordance with the exceptional situation in that country, as a contribution to the democratic stability of Nicaragua and of the entire Central American region.

Ecuadoran President Meets Gaviria, Wasmosy, Cristiani

PY1610230893 Madrid EFE in Spanish 1852 GMT 16 Oct 93

[Text] Santiago, 16 Oct (EFE)—In meetings in Santiago with his Colombian, Paraguayan, and Salvadoran counterparts, meetings that were not scheduled within the seventh Rio Group summit, Ecuadoran President Sixto Duran-Ballen has over the past few hours been discussing bilateral and regional issues.

Carlos Vera, the Ecuadoran information and tourism minister, reported that in his meeting with Salvadoran President Alfredo Cristiani, Duran-Ballen discussed the need to defend Latin American banana exports, which have been restricted by the EEC since July.

The Ecuadoran and Salvadoran presidents also exchanged opinions on increasing flights between the two countries, the international coffee market situation, support for democracy in Nicaragua, and the need to struggle against the trade protectionism of the developed countries.

Minister Vera said that in his meeting with Colombian President Cesar Gaviria, Duran-Ballen discussed bilateral relations, tourism, and ways to improve the treatment of Colombian visitors to Ecuador, visitors who have been subject to "discrimination."

In his meeting with Paraguayan President Juan Carlos Wasmosy, an agreement was reached that Wasmosy would visit Ecuador in February, while Duran-Ballen would travel to Asuncion sometime next year.

According to Vera, the Ecuadoran president also held various "informal meetings" with Peruvian President Alberto Fujimori during the development of the Rio Group Summit.

The Ecuadoran information and tourism minister added that Duran-Ballen plans to visit Peru before the end of this year.

Duran-Ballen held another bilateral meeting with his Venezuelan counterpart, Ramon Jose Velasquez, on 15 October.

Brazil's Franco To Visit Argentina's Menem in Hospital

PY1710021593 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 16 Oct 93

[Text] President Itamar Franco, who is currently in Chile, will visit his Argentine counterpart Carlos Menem.

At the conclusion of the Rio Group presidential summit 11 Latin American presidents released the Declaration of Santiago.

[Begin recording] [Reporter Ana Paulo Padrao from Santiago] The speech of the Brazilian president summarized the concerns of the Rio Group: the need to gain access to high technology, development and social justice, common Latin American markets, and democracy. The latter issue was so much in the limelight that it merited the release of two special documents.

After the summit ended, Brazilian Foreign Minister Celso Amorim represented Brazil at the news conference. The foreign minister also signed two bilateral agreements with Chile: technical cooperation in mining, and exchange of social security services.

President Itamar Franco did not participate in the news conference, and refused to talk to journalists in order to avoid discussing Brazilian issues, according to a presidential adviser.

President Franco will return to Brasilia tomorrow, but first his plane will make a stopover in Buenos Aires to allow the president to pay a quick visit to Argentine President Carlos Menem, who is recovering from surgery. [end recording]

[Buenos Aires NOTICIAS ARGENTINAS in Spanish at 0117 on 17 October carries a 100-word report which reports: "Brazilian President Itamar Franco will arrive at the Jorge Newbery Metropolitan Airport at 1030 local time [1330 GMT] on 17 October and will go immediately to the Buenos Aires Cardiovascular Institute to visit President Carlos Menem. This information was confirmed to NOTICIAS ARGENTINAS by Brazilian Embassy sources. It was reported that the Brazilian president will not conduct any official activities in Buenos Aires, and is expected to return to Brazil at the end of his visit to Menem."]

Presidents Sign Declaration, Conclude Rio Group Summit

PY1610181993 Santiago Radio Cooperativa Network in Spanish 1600 GMT 16 Oct 93

[Text] The Latin American presidents attending the Rio Group Summit forcefully urged the international community, especially the industrialized countries, to satisfactorily conclude the Uruguay Round before the end of the year. The presidents thus referred to the GATT talks being held in Geneva.

In the final declaration of the Seventh Rio Group Summit, which has just ended in Santiago, the presidents asked the developed countries to ensure that, within a balanced framework, the Uruguay Round accord fully respects the multilateralism of the process. The final document also severely rejects terrorism and drug trafficking and reiterates its unlimited support for the democratic system and respect for human rights. The Latin American presidents also expressed their support for Chilean Rafael Moreno's candidacy to head the UN Food and Agriculture Organization.

According to political analysts, the conclusions reached during the summit did not offer any unexpected surprises. By signing this official declaration, the dignitaries, who have been meeting since yesterday in Santiago, concluded the summit.

Chilean, Bolivian, Brazilian, Colombian, Ecuadoran, Mexican, Paraguayan, Peruvian, Uruguayan, Venezuelan, and Salvadoran presidents are currently reporting on the details of the declaration.

News Conference Concludes Summit

PY1610190693 Santiago Radio Cooperativa Network in Spanish 1600 GMT 16 Oct 93

[Text] Here is Manuela Robles' report on the news conference which concluded the activities of the Seventh Rio Group Summit in Santiago.

[Begin recording] [Robles] The presidents who attended the Rio Group Summit here in Santiago have expressed satisfaction over the results attained. In the Foreign Ministry building, which formerly sheltered the National Congress in Santiago, Chilean President Patricio Aylwin, Colombian President Cesar Gaviria, and Ecuadoran President Sixto Duran granted a news conference. At the beginning of the conference, President Aylwin summarized the achievements of this summit:

[Aylwin] First, preservation and strengthening of democracy as the basis of the Rio Group. Second, stimulation of free trade as the indispensable international condition for continuing our countries' development process. Third, social development within the framework of an equitable growth, as a priority for the well-being of our peoples.

[Robles] The presidents who attended the Rio Group Summit also agreed that Chilean President Patricio Aylwin should send a letter to U.S. President Bill Clinton and to the U.S. Congress requesting their favorable stance toward the approval, by said Congress, of the North American Free Trade Agreement, which was signed by Mexico.

The presidents also agreed to summon a special meeting in January to analyze the results of the 15 December GATT meeting, during which the destiny of the GATT negotiations will have been decided. The presidents expres. r optimism about this meeting, and pointed out that they hope these decisions will liberate international trade and put an end to protectionism by the wealthy and developed nations.

During the news conference, several questions mentioned the economic blockade being imposed on Cuba. The three presidents, however, quoted previous Rio Group declarations on the issue. They insisted that democracy must prevail in all Latin American countries and declined to comment directly on the blockade. Good afternoon. [end recording]

'Declaration of Santiago' Issued

PY1610212093 Madrid EFE in Spanish 1923 GMT 16 Oct 93

["Complete text of the Declaration of Santiago"—EFE headline]

[Text] Santiago, Chile, 16 Oct (EFE)—The chiefs of state and government of the countries that belong to the permanent mechanism of consultation and political coordination called the Rio Group held their seventh summit in Santiago, Chile on 15 and 16 October 1993, and approved the following declaration:

1. We find ourselves in a definite process of strengthening our permanent mechanism of consultation and political coordination. The values and principles of representative democracy are gaining status throughout the region, and have emerged strengthened from the harsh tests through which they were put in some of our countries. Democracy is the system of government that should prevail and thrive in all the countries of our contient, without exception. Today more than ever, it should be clear that representative democracy and full respect for human rights are essential for political coexistence in Latin America and the Caribbean.

2. We are meeting at a time marked by a growth in democratic values and the opening up of the economies in vast areas of the world, but it is also marked by a resurgence of conflicts, and is plagued by uncertainties over the fate of multilateral trade systems. We are pleased to see that the strengthening of democracy is walking hand in hand with significant progress toward economic liberalization in Latin America and the Caribbean. Our continent is emerging into the world as a stable and dynamic region.

3. It encourages us to see that our region is not adding to the uncertainties prevailing in the current international scenario. On the contrary, we are dealing maturely with our difficulties, opening new channels for international cooperation, and responsibly accepting the challenges inherent in the deep changes under way throughout the world. We want to convey a message of optimism and especially of confidence in our peoples, who have had to endure many years of hardship and sacrifices. We are aware, however, that there is a lot still to be done.

4. We reaffirm our commitment to democracy and to the state of law, as outlined in the "Santiago Commitment to Democracy and Renewal of the Inter-American System" that the OAS adopted in this very same city in 1991. We are pleased with the close cooperation among our countries for the fulfillment of these commitments.

5. We are aware of the need to continue this close cooperation to strengthen modern and participatory democratic institutions in our region. Bearing in mind the difficult domestic situations in some countries, we reiterate our firm support for the efforts being made to attain national reconciliation and respect for the will of the people, to protect the balance and independence of powers, and to subordinate all strata of the population to legitimately constituted civilian governments.

6. We commit ourselves to the cooperative efforts to bring about international peace and security. We thus believe that the huge funds allocated to purchase arms should be used to fuel efforts toward peace and development. We also call for an end to nuclear tests through a multilateral negotiated treaty that would totally ban such tests as well as the possession, use, or threat of nuclear weapons and weapons of mass destruction. We draw attention to the example that Latin America and the Caribbean are setting for the world, through the Mendoza and Cartagena agreements, to give up weapons of mass destruction, the significant progress attained in the full implementation of the Tlatelolco Treaty, and the total compliance with the terms of the Convention on Chemical Weapons.

7. The United Nations must have a central role in achieving peace and international security, and in encouraging a renewed international dialogue on development. The two are essential and inseparable objectives of the United Nations. We commit ourselves to actively contributing to strengthening the UN organization. We also support the reorganization of its organs and work methods, so that it might become more representative and efficient. We also express our desire to continue contributing to efforts to strengthen the OAS.

8. We reaffirm our determination to promote sustainable development, a central concept established at the Rio Conference [UN Conference on Environment and Development]. We will work for the full materialization of the objectives and principles established in the Rio Declaration and Agenda 21, and will promote the quickest possible implementation of the Conventions on Climatic Change and Biodiversity.

9. We reiterate that commercial or financial policy measures contemplating the environment should not constitute a means for arbitrary or unjustified discrimination, or a veiled restriction to international trade.

10. We reiterate our commitment to continue fighting against the illegal production of, trafficking in, and consumption of narcotics. We commit ourselves to creating and improving permanent, agile, and efficient mechanisms for the exchange of information between our countries, with special emphasis on education, police, judicial, and customs information. We also call for increased international cooperation within the framework of the concept of shared responsibility between countries affected by narcotics production and those characterized by high narcotics consumption, and we will support the search for integral solutions in confronting this grave problem.

11. We call on the UN General Assembly, in the high-level meetings that are taking place on international cooperation in fighting drug trafficking, to take the necessary steps to begin as soon as possible a process of

analysis, in order to reorient and strengthen international cooperation efforts in this area.

12. We reiterate our condemnation of terrorism, as described by the Third Ibero-American Conference of heads of state and government. Terrorism is a systematic and deliberate human rights violation which strikes against the democratic system. In this respect we express our support for countries in the region that are involved in pacification efforts, and we exhort the international community to maintain an attitude of solidarity and to cooperate in eradicating this scourge.

13. We express our conviction that economic and social development with equality is a central pillar of international peace and security. In order for modern democracy to project itself strongly and vigorously toward the future, it needs to respond to the challenge of ensuring economic efficiency as well as social equality, based on the increased well-being of the peoples. We emphasize the value of justice and solidarity in achieving harmonious and stable societies.

14. We underline the effects of the different programs being carried out throughout the region in the area of social care and in the fight against poverty, and the positive results achieved in social security, education, housing, and urban and rural infrastructure. We recognize, however, the need to redouble our efforts in this field.

15. We emphasize the need to gradually improve the quality of education in our countries and to make efforts to allow an increasingly larger number of school-level and higher education level students to achieve technical and professional training levels, through structural education systems, in order to respond to the processes of productive modernization and competitive integration in the world economy. This competitive integration presupposes new and more open conditions for gaining access to advanced technology, an essential element for development.

16. We reaffirm our support for the World Summit on Social Development [Cumbre Mundial Sobre Desarrollo Social] that will be held in Copenhagen in 1995. We commit ourselves to favoring a spirit of consensus and understanding, which will allow the implementation of concrete agreements for promoting conditions of enhanced human security in all societies. In particular, we want to promote larger amounts and increased efficiency in the social spending allocated for the reduction of poverty, an investments encouragement policy to increase productive employment, and a commitment to promoting the social integration of the most vulnerable and neglected segments.

17. We have received with satisfaction a document prepared by the Group of Experts on Poverty, Unemployment, and Neglected Population Strata [Grupo de Expertos Sobre Pobreza, Desempleo y Marginalidad] in compliance with a request issued by the Buenos Aires [Rio Group] summit. We have decided to relay it to the UN secretary general and the preparatory committee as the Rio Group's initial contribution to discussions on the Social Summit [Cumbre Social]. We have agreed that the Group of Experts will present an additional report to the upcoming presidential summit in Brazil.

18. We confirm our decision to promote and protect human rights. We emphasize their universal nature and their interdependent relationship with democracy and development. We reaffirm that the right to development is part of basic human rights.

19. We strongly urge the international community, and especially the industrialized countries, to achieve a fully satisfactory conclusion to the Uruguay Round before the end of this year, fully respecting the multilateral status of this process and within a global and balanced framework.

20. We are convinced that the Uruguay Round of Multilateral Trade Negotiations Final Act Draft [Proyecto de Acta Final de la Ronda Uruguay de Negociaciones Comerciales Multilaterales], presented by Arthur Dunkel, represents a basis for concluding these talks, despite the fact that it is far from meeting our interests and aspirations. We have noted with profound disappointment that the great trade powers have consistently attempted to dilute the restraints contained in this draft in the areas that are more critical for our countries, further weakening the multilateral trade system and disturbing a precarious balance achieved after more than six years of negotiations.

21. We trust that the recent recommencement of negotiations will allow us to achieve better conditions for our exports of goods and services in gaining access to markets.

22. We express our willingness to continue contributing to the deregulation of trade and to the establishment of an honest multilateral system, without protectionism and unilateralism. The other participants, especially the industrialized countries, must also be willing to assume their responsibilities and positively exercise their leadership abilities. In this regard we support the Ministers Declaration of the Rio Group member countries issued in Montevideo, Uruguay, on 17 September 1993.

23. We consider that the economic reform processes in our countries have been very important in encouraging greater regional integration and cooperation. We stress the positive effect that these efforts have had in strengthening trade, encouraging entrepreneurial links, and consolidating Latin American institutions of integration. We are convinced that the opening and internationalization of markets create a favorable climate for continuous progress in this area.

24. We recognize that there are different paths leading to regional integration, and we support the application of the flexible formulas established in the 1980 Montevideo Treaty and the essential objective of gradually and progressively establishing the Latin American Common

Market. We stress the importance of the work which, based on the present conditions in international economic relations, is being carried out by the Latin American Integration Association (ALADI) Ad-Hoc Group. We believe this effort must strengthen the integration process. We reiterate that Latin American and Caribbean integration is fully compatible with the processes of opening up to the outside to which our countries are committed.

25. We reaffirm the priority of integration actions that extend beyond the purely economic field. We reiterate our willingness to strengthen existing cooperation programs between our countries in the political, cultural, physical infrastructure, energy, and scientific and technological fields, and we commit ourselves to exploring the possibility of introducing new instruments with which to fulfill these purposes.

26. We consider that the implementation of the free trade treaty between Mexico, Canada, and the United States will create new opportunities for free trade and the development of the entire hemisphere.

27. We express our willingness to continue and strengthen the exchange between the Rio Group and other countries and groups of countries, in the belief that this dialogue contributes to increasing the region's profile and increasing its influence in the international arena.

28. We reiterate our decisive support for the candidacy of Rafael Moreno to head the UN Food and Agriculture Organization (FAO), representing the Rio Group, and we hope that this Latin American and Caribbean unity will encourage the growing support of other regions, leading to his successful bid to head the organization.

29. We reiterate our agreement to organize the eighth presidential summit in the Federative Republic of Brazil during 1994, and the ninth summit in the Republic of Ecuador in 1995. We also agree to meet at the 10th presidential summit in Cochabamba, Bolivia, during 1996, and the 11th presidential summit in Paraguay in 1997.

30. The heads of state and government meeting in Santiago subscribe to this declaration and express their deep gratitude to President Patricio Aylwin Azocar and the Chilean Government and people for their warm and fraternal welcome, and for the magnificent organization and handling of the eighth Rio Group presidential summit.

Presidents Depart Santiago

PY1710030693 Madrid EFE in Spanish 0119 GMT 17 Oct 93

[Text] Santiago, 16 Oct (EFE)—The Latin American presidents who attended the seventh Rio Group summit today began returning to their countries, after the closing session of the two-day summit in the Chilean capital, which ended with the signing of the Declaration of Santiago.

Brazilian President Itamar Franco and Mexican President Carlos Salinas de Gortari were the first to leave. They did not attend a closing luncheon at the "Undurraga" vineyard.

Colombian President Cesar Gaviria, Paraguayan President Juan Carlos Wasmosy, Peruvian President Alberto Fujimori, Salvadoran President Alfredo Cristiani, Venezuelan President Ramon Velasquez, and Uruguayan President Luis Alberto Lacalle left a few hours later.

Bolivian President Gonzalo Sanchez de Lozada will return to La Paz tomorrow. Ecuadoran President Sixto Duran-Ballen will remain in Chile on an official visit until 19 October.

Sanchez de Lozada granted his final news conference to the journalists accredited to the seventh Rio Group summit, and discussed mainly the relations between his country and Chile.

The Bolivian president confirmed that the eventual reestablishment of diplomatic relations between the two countries, which have been severed since 1962, does not depend on a solution to the Bolivian goal of securing a sea outlet, but on a general improvement in bilateral ties.

Sanchez de Lozada said that finding a solution to this basic problem separating Chile and Bolivia will be a natural consequence of this process, "a result of work and imagination." He also denied that his government is seeking the Catholic Church's mediation to negotiate the sea outlet issue with Chile.

Asked about this issue, Sanchez de Lozada noted that in this process "all segments of society must be mediators."

Cuba

Nuclear Program Continues Despite Economic Situation

PA1710201493 Havana Radio Havana Cuba in Spanish 0000 GMT 16 Oct 93

[From the "Evening Information Review" newscast]

[Text] Andres Garcia, head of the Executive Secretariat of Cuban Nuclear Affairs, has stated in Havana that contrary to what could be said due to Cuba's economic situation, the island's nuclear program continues to develop and is under special conditions to permit the use of nuclear experts in areas of priority in the Cuban economy.

Upon his return from Vienna, Garcia said that Cuba's election as a member of the board of governors of the International Atomic Energy Agency, IAEA, is a sign of world recognition of the Cubans in this area.

He said that during sessions of the 27th IAEA General Assembly Cuba stressed its willingness to sign the Tlatelolco Nuclear Nonproliferation Treaty in spite of the blockade and the presence of a U.S. naval base on Cuban soil, reasons that this country had for not making this decision earlier.

$1.2 Million Granted From IAEA

FL1610022293 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 16 Oct 93

[Text] Cuba is willing to cooperate with other countries in the region in developing programs based on the peaceful use of nuclear energy, it was announced today in a news conference.

The Cuban delegation that in the 37th conference sponsored by the International Atomic Energy Agency [IAEA] in Vienna has reported on the main topics discussed at the conference, as well as on their impact on the Cuban nuclear program. Cuba has been elected to serve on the IAEA Board of Governors.

The IAEA has praised the effective use by Cuba of the resources granted under its assistance programs. Thus, the Cuban nuclear program will receive $1.2 million in 1993 and 1994 in equipment and technical assistance.

Cuba has more than 1,300 trained specialists and can guarantee that the program will be safely implemented. At present, more than 190 facilities are applying nuclear tecniques and technology in the country's main economic programs. The radioisotope production center is scheduled to be completed next year. Electronic equipment is already being manufactured for these facilities.

An effort is being made to continue the Cuban energy program, which has been affected by the economic crisis that provoked the temporary shutdown of the Juragua nuclear plant.

Atomic Energy Head Calls for Ban on Nuclear Weapons

FL1510225793 Havana Radio Reloj Network in Spanish 2051 GMT 15 Oct 93

[Text] During the 37th International Conference on Atomic Energy, which recently concluded in Vienna, Austria, Cuba stated that the world needs to go beyond nonproliferation of nuclear weapons: It needs to ban them. Andres Garcia, a member of the secretariat of nuclear affairs in Cuba, said that such a stance of working with the rest of the world for the peaceful use of nuclear energy demonstrates our country's clear position in its nuclear energy strategy.

During a meeting in this capital [not further identified], Garcia explained that, with the Revolution, Cuba has developed a great scientific potential in the area of nuclear energy. He added that Cuban technicians are now in a condition to carry out projects. Furthermore, Garcia pointed out that Cuba has been granted approximately $1 million for nuclear projects by the International Atomic Energy Agency.

Vice Minister Mario Rodriguez Arrives in Beijing

FL1510163393 Havana Radio Progreso Network in Spanish 1200 GMT 15 Oct 93

[Text] Upon receiving Mario Rodriguez, Cuban foreign vice minister [title as heard], in Beijing on Thursday [14 October], Chen Xitong, member of the Politiburo of the Chinese Communist Party, expressed best wishes for the success of socialism in Cuba.

Chen Xitong said this during a toast to the vice minister, who is visiting Beijing on the occasion of the official inauguration of a park containing 106 replicas of internationally famous buildings and sites that has been constructed on the outskirts of Beijing.

Expressing his thanks for the welcome, the Cuban vice minister said that China and Cuba will achieve new socialist victories.

Increased Tension Over Hong Kong Noted

FL1510182193 Havana Radio Reloj Network in Spanish 1200 GMT 15 Oct 93

[Commentary by Esperanza Hernandez]

[Text] The climate surrounding the future of the British enclave of Hong Kong is becoming progressively tense, following the end of a new round of negotiations between Great Britain and China in Beijing in which London's intransigent position, a position aimed at sabotaging any possible agreement on Hong Kong, was reaffirmed.

The different hampering maneuvers put into practice by the British Government reveal clearly its objective of maintaining, under any pretext, control of the strategic enclave.

The talks, which are headed by Chinese Vice Foreign Minister Jiang Enzhu [title as heard] and British Ambassador in Beijing Robin McLaren, are to lead to an agreement on the legislative elections to be held in Hong Kong in 1994-95, which would be the last to be held under British rule. London's position in this regard represented by the British governor in Hong Kong Chris Patten, however, has been to push on Beijing, during the dialog, a series of so-called "democratic reforms" that alter the reciprocal agreements with respect to the elections reached between the parties in 1984. Through this measure, London is trying to give elements opposed to the transfer of Hong Kong to China access to the legislative council, and to transform the said body into a parliament, by which means London would guarantee its influence over the enclave following the return of the enclave to China, which is scheduled to occur on 1 July 1997.

Another negative aspect (?conspires) against a possible settlement of this difference: Patten's recent statement to the effect that only weeks, not months, remain in which to reach agreement on the Hong Kong elections.

This gesture has been interpreted by several sources as a possibility that Great Britain may make public at the beginning of November its decision to unilaterally put into practice its so-called "constitutional reforms." Should this happen, one will have to see how China will react. It will surely not just stand by with folded arms, for as its Minister of Foreign Affairs Qian Qichen emphasized (?recently), Beijing will not accept any proposal contrary to the basic law for Hong Kong.

Commentary on Rio Summit, Regional Economic Woes

FL1510163593 Havana Radio Rebelde Network in Spanish 1255 GMT 15 Oct 93

["Our Opinion" commentary by Eduardo Dimas]

[Text] Good morning. The Rio Group summit begins today in Chile. Today, I would like to talk about the social conditions under which this meeting is taking place. First, an additional datum. According to observers, the hottest issues the heads of state will discuss are Cuba and Haiti. In Cuba's case, there is a proposal by Chilean President Patricio Aylwin to send aid to Cuba in light of our current economic crisis. This proposal has a collateral aspect that will spark a debate. On the one hand, there is the existence of an economic blockade established by the United States over 30 years ago. On the other, there is the demand by certain leaders that Cubans change their system of government and make it similar to the model known as representative democracy.

It is evident, that acknowledging the blockade implies criticism of the U.S. Administration at a time when certain Rio Group members are advocating increasing the rapport with Washington in order to establish a more direct dialogue. Meanwhile, those who recommend political changes in Cuba exude an odor of interference in domestic affairs which other leaders reject. All this, makes us think that the discussion on the issue of Cuba will be long and complex.

However, let us discuss the economic and social situation underlining the Rio Group summit. The Economic Commission for Latin America [ECLA] publishes annually a social profile of Latin America; every president participating in the Santiago de Chile meeting has a copy. The profile could not be more startling. Poverty in Latin America affects 46 percent of the population or approximately 196 million people. Of those 196 million poor, 93.5 million are indigent or approximately 22 percent of the total population. According to ECLA, one out of every five people in Latin America does not earn enough to consume an adequate diet. The report adds that despite the recovery in growth in certain countries, poverty is on the increase in the region. The report stresses that the factors contributing to this are the deep economic decline experienced by other nations and the slow recovery in income of poor households in countries which once experienced the most economic growth.

In other words, economic growth did not result in an improvement of the population's living conditions. ECLA has recommended three steps to solve this situation. First, attaining a higher rate of growth in productive jobs and the need for salaries to recover the losses experienced during the eighties in the formal or structured sector of the economy. Second, improving productivity and the income of the people employed in the informal sector of the economy and less productive rural workers. Finally, it recommends improving the living conditions of the inactive population, the unemployed, giving special emphasis to retirees and measures to benefit the elderly.

As we can see, the panorama underlining the Rio Group meeting is not at all promising. A small clarification, that situation is not the result of the U.S. blockade, or of having suddenly lost their regular markets but is inherent to the market economy system in the conditions of underdevelopment and the so-flaunted representative democracy governments. This representative democracy is the one they now advocate for us as the solution to all our problems? You can draw your own conclusion.

Havana Compares U.S. Action in Haiti to 1915 Invasion

FL1610031993 Havana Radio Rebelde Network in Spanish 0000 GMT 16 Oct 93

[Commentary by Orlando Contreras]

[Text] The United States seems to have forgotten Haiti's hard and heroic past. By following a zig-zag policy, a step back and a step forward, it now seems to have decided to use the option of force to impose with the Marines what it did not know how, or did not want, to solve through political and diplomatic means two years ago.

President Clinton has ordered, beginning on Monday, a naval blockade using seven U.S. Navy surface ships. He ordered the mobilization of more troops and has resorted to the troops stationed on the illegal naval base in Guantanamo Bay for an eventual occupation of the western part of Hispaniola, where the Haitian territory is located.

Two years ago, in September, Jean-Bertrand Aristide, the first Haitian president elected by the people, was the victim of a coup. Washington did little or nothing to prevent it. Bush and his administration looked with distrust at Father Aristide, who spoke an unprecedented language in his country [words indistinct] the theology of liberation; in other words, he was very close to the people and determined to confront the accursed inheritance of Duvalierism, installed and protected by the United States.

To understand the Haitian drama, it is necessary to remember part of its history. Haiti was the first Latin American country, as we say today, to proclaim its independence in the first five years of the 19th century, under the libertarian influence of the French Revolution and under the heart-rending drama of slavery. Haiti even had the strength to support Bolivar in his libertarian campaign.

A few years later, the financial strength of an emerging imperialism influenced what had been a prosperous country, a sugar and coffee exporter torn apart by internal struggles. Foreign businessmen, with the backing of Washington, were able to build some bridges and railways in that nation, but they intended to dominate Haiti's economy and finances.

Haiti was unable to meet its commitments with its debtors, and in retaliation Washington sent in its Marines. Haiti was invaded in 1915, but that invasion was not a field trip. From among the people a revolutionary army emerged, commanded by Charlemagne Peralte and made up basically of noble peasants from the northern part of the country, which to this day is the most impoverished region of that long-suffering nation. Peralte could not be defeated by the Yankees, but was assassinated in 1919 and the United States remained in Haiti until 1934.

Coupist General Raoul Cedras, who should have resigned today to allow the return of President Aristide on 30 October, has undoubtedly known how to use the anti-interventionist feelings of his people.

Today, we are witnessing another episode of the Haitian drama, which, in essence, is not very different that of 1915, even though the outcome may turn out to be the same.

Program Addresses Misconceptions on Self-Employment

FL1510215893

[Editorial Report] Havana Radio Rebelde Network in Spanish at 1700 GMT on 15 October devotes its 15-minute "Straight Talk" program to "a subject that is truly controversial these days," the matter of self-employment. The program guest is journalist Osvaldo Rodriguez of the weekly JUVENTUD REBELDE.

The program host asks: What is this about the true concept of self-employment? Is there a false one?

Rodriguez explains that "some have misinterpreted this government decision to increase and encourage self-employment, even going so far as to campaign against it, because such rumors leave people feeling insecure. Unquestionably, the measure must have surprised those who are not convinced that the Cuban economy must out of necessity be restructured so as to adapt it to new times and conditions. Every decision being made along this road has been thoroughly studied and weighed—and I think our listeners should bear this in mind—to make sure it will do what it is supposed to do and yield the desired results."

Rodriguez explains that self-employment has two basic goals, one of which is to encourage production of consumer goods and reactivate the network of services essential to the life of the society.

The journalists then discuss obtaining resources by the self-employed, the raw materials necessary for their work. Rodriguez stresses that the self-employed will have to be creative and use scraps and all other possible resources; in answer to a question, he states emphatically that people who try to use the black market as a source will not be given permits to operate. "On the contrary, they risk having the law call them to account."

Rodriguez says the second basic goal of self-employment is "to serve as a job option for people without employment." He explains that because of the rupture in Cuba's trade relations with eastern Europe, Cuba is undergoing abrupt economic and social changes after several decades of stability and increasing development, and that the only way to counter the current difficult situation is by becoming maximally efficient. He points out that the phenomenon of inflated personnel rolls has been strongly criticized ever since talk of rectifying mistakes and negative tendencies began, and that the government does not want the transformation under way in production and services to traumatize the society or make Cuban families feel insecure. Rodriguez explains: "Self-employment happens to be, in the present times, a good option to allow the worker to guarantee the family's subsistence through income that comes from his own efforts—income which the state will perhaps not be able to continue to increase through social security. On the contrary, to the extent possible, the state will have to reduce the subsidy to those working reduced hours and

to those whose work center is paralyzed because of [a lack of] material resources."

Rodriguez goes on to say that it is being proposed that those who do not join or are not accepted into Basic Cooperative Production Units will receive only a one-month subsidy and will be responsible for finding themselves a job. He adds that so far, in an effort to protect the population, the state has shouldered the main burden of the economic blow; this has resulted in the excess of national currency—9.8 billion pesos—on the street.

Rodriguez dismisses as unfounded the fears people have about the state's looking into how they obtained resources for self-employment and their eventual confiscation. He points out that competition from self-employment will force enterprises to seek ways to increase efficiency.

Rodriguez concludes by discussing the fact that university graduates have been excluded from self-employment, explaining that the argument put forth in the ministerial resolution is reasonable because all graduates have guaranteed jobs, and it would be unwise to scatter the university graduates' potential since they are one of the main resources Cuba has nowadays to start up the economy.

Julian Rizo, Others Attend PCC Assembly in Guantanamo

FL1610124493 Havana Radio Rebelde Network in Spanish 2300 GMT 8 Oct 93

[Report by Jose Mejias Osorio from Guantanamo]

[Text] Politburo member Julian Rizo today conveyed warm congratulations from General of the Army Raul Castro, second secretary of the Central Committee, to the heroic people of Guantanamo during the provincial assembly of the Communist Party of Cuba [PCC]. The assembly confirmed comrade Juan Carlos Robinson Agramonte, member of the Central Committee, as first secretary of the PCC in Guantanamo Province.

Rizo said that substantial progress has been made in a period of a little more than 18 months, thanks to the dedication and patriotism of the people of Guantanamo, as well as to their desire to move forward by solving problems on their own initiative. In this respect, he announced the significant creation of the contingent Second Eastern Front Frank Pais which, he said, initially consisted of more than 1,000 members of the party and of the Union of Young Communists, but which is already including other personnel who are willing to revolutionize agriculture in this part of the country.

The development and prospects of the agricultural food program has been at the center of the discussions of the more than 270 delegates and guests attending the assembly, especially with regard to the production of tubers and vegetables, and the coffee harvest. Incidentally, more than 700,000 coffee cans—of the 3.5 million cans the workers are committed to collect—have already been harvested. Also discussed was the cane recovery program being undertaken in the province to pave the way for the upcoming sugar harvest.

From the debates and analyses that took place today at the provincial assembly of the party here in Guantanamo, it can be inferred that, compared to the problems that had surfaced here on the occasion of the first visit made here by the Politburo committee, it appears that the people here now think, speak, and work in a different fashion with a view to reaching higher levels on every front.

The assembly also discussed the role militants should play in dealing with (?criminals), tourist development in the province, and the prospects of implementing scientific projects in the mountains.

Also attending the important assembly of the Guantanamo revolutionaries were Politburo members Jose Ramon Machado Ventura, Maria de los Angeles Garcia, and Jose Ramon Balaguer Cabrera. I repeat that Juan Carlos Robinson Agramonte has been confirmed in his post as first secretary of the party in Guantanamo Province.

Raul Castro Presides Over PCC Assembly in Camaguey

FL1710231193 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 17 Oct 93

[Text] The assembly of the Communist Party of Cuba [PCC] in Camaguey Province coincided today, 16 October, with the 40th anniversary of Fidel's summation "History Will Absolve Me," which had then shaken the entire nation.

This celebration motivated the analyses of 256 PCC delegates who attended the assembly. General of the Army Raul Castro, second secretary of the PCC and minister of the Revolutionary Armed Forces, presided over the objective, coherent discussions. Members of the PCC Politburo and Central Committee also attended the assembly.

The main topics of discussion were the sugar harvest, especially the cane recovery program; cattle farming; the production of tubers and vegetables; and the creation of the Basic Cooperative Production Units [UBPC's]. More than 80 UBPC'S have already been created in Camaguey Province.

It has been made quite clear that the creation of UBPC'S should not be considered as an act of sorcery, but a major step, a practical move that is closely linked to production results in light of the structural changes. In this respect, Gen. Castro commented on some experiences obtained by some farms managed by the Youth Labor Army, namely achievements in the quest for efficiency.

[Begin Castro recording] And we will have to continue to adopt a number of measures concerning that. This is a

realistic approach. We have not taken one single step backwards. Logically, we have to do all this in an orderly fashion, and little by little. You know the consequences we will have to face if we proceed otherwise. [end recording]

In the area of tubers, the UPBC's also prompted interesting discussions.

[Begin unidentified delegate recording] At a certain point, the economic benefits may not be in keeping with our social needs. This is where the party must take action to provide support. The party needs to state that this production today is priced low, but this is the way it has to be because it is needed to feed our children, or that it is needed for a given sector, or it is needed for production.... [end recording]

The discussion of cattle farming focused on the fight against rustling and illegal slaughtering. Summing up a current concept, Carlos Pinero, an oustanding insemination expert, addressed the need to be efficient.

[Begin Pinero recording] We will not get things done by just talking. I believe that revolutionaries must prove their salt with work, not with words. It is through work that we can create the values needed by society. We will not achieve that with words. One may stand here and talk a lot, but it is through hard work and not having education.... [applause] [end recording]

The Camaguey communists also discussed the people's councils, which are organizations that are active on every front. There are already 79 councils in Camaguey Province, and they have proven to be a successful initiative in our government administrative system.

After taking a vote, the new executive bureau of the province was announced. It is headed by Politburo member Julian Rizo Alvarez, who was nominated by the PCC national leadership.

Summing up the assembly, Gen. Castro praised the work carried out by Lazaro Vazquez at the head of the province for 14 years and outlined some achievements meriting praise.

[Begin Castro recording] The Camaguey people and our party at large are honored for the many years you have led our province. We love you and want to ultimately thank you for all that you have done for Camaguey and for the revolution. Thank you. [applause] [end recording]

Fernandez on U.S. Visa Policy; Meets Dominican President

PA1610213693 Madrid EFE in Spanish 2323 GMT 15 Oct 93

[Text] Santo Domingo, 15 Oct (EFE)—Today, Friday, Cuban [Council of Ministers] Vice President Ramon Fernandez criticized the United States' decision of refusing to grant a visa to any person petitioning from Havana, while at the same time treating any Cuban who reaches U.S. soil on a raft as a hero.

In using this example Fernandez illustrated the manner in which the United States has failed to honor an agreement whereby Washington would grant visas to 20,000 Cubans each year.

He believes that the exodus is not a new phenomenon, because there are thousands of millions of people throughout the continent who wish to emigrate to the United States.

Likewise, he acknowledged that there are hundreds of Cubans who are seeking to travel to the United States, but for economic reasons, "and we are not taking any measures against them."

Fernandez insisted that the economic crisis is due to the blockade imposed by the United States against Cuba, as well as the fall of the socialist bloc, "with which we maintained 85 percent of our trade."

"I would like to point out that we have not adopted any hostile position against the United States. We have always been willing to discuss, on an equal standing, any differences between both countries and solve existing problems through rational, civilized, conversation between people," he insisted.

The Cuban vice president was interviewed after meeting with Dominican President Joaquin Balaguer, with whom he discussed various issues. He also highlighted the friendship between the president of the Dominican Republic and Cuban President Fidel Castro.

Fernandez visited Balaguer accompanied by ODEPA (Panamerican Athletic Organization] President Mario Vazquez Rana, and ODECABE (Central American and Caribbean Athletic Organization] President Jose Joaquin Puello.

The Cuban vice president is in the Dominican Republic representing his country in an ODEPA meeting that started last 7 October in the La Romana resort area, located east of Santo Domingo.

U.S. Tourists Depart, 'Basta' Flotilla Arrives

FL1810005993 Havana Tele Rebelde and Cuba Vision Networks in Spanish 1800 GMT 17 Oct 93

[Studio discussion by anchorman Froilan Arencibia and reporter Rey Rodriguez during the NTV newscast—live]

[Excerpts] [Arencibia] Our colleague Rey Rodriguez has just arrived from Jose Marti airport where he bade farewell to the group of the flight of defiance [el vuelo del desafio], as the members of this group—who defied U.S. laws to visit our country—became known in Cuba. What happened today at the airport?

[Rodriguez] After spending a week in our country, this group of U.S. tourists who came to Cuba defying the

U.S. restrictions on travel to our country [passage indistinct] punishable with a prison term or fines. I would like to share with you the impressions conveyed to me by some of these tourists before departing for the United States. [passage omitted]

[Arencibia] It is strange, Rey, that precisely at a time when it is claimed that the Cold War is over that our country should still be considered to be an enemy under U.S. law. This is precisely why prison sentences and fines—outrageous fines, my friends, because we are not talking about $2 or $3 fines—to which these people have exposed themselves by traveling to our country. What about that, Rey?

[Rodriguez] As is known, the prohibition for U.S. citizens to travel to Cuba stems from the Trading With the Enemy Act of 1963, which has been reemphasized in recent years. Yet, most of these tourists said they made this trip for two fundamental reasons: First, to protest against the violation of their constitutional right; and secondly, [passage indistinct]. All this was proven in this act of defiance. In addition to paying for all of their expenses on the island, the U.S. tourists delivered donations and medicines totaling $30,000.

Despite the threats they have received, especially from Miami- based terrorist organizations, all of the U.S. tourists voiced satisfaction with their stay on the island. Furthermore—and perhaps this is the first report on this—another similar trip with possibly more people is already being prepared for next year. In a nutshell, Froilan, this is what I can tell you about the one- week visit of these U.S. tourists.

[Arencibia] I believe, however, that this was not the only visit we have received this week form our neighbors.

[Rodriguez] Precisely, in the afternoon [words indistinct] the Basta flotilla, which consists of approximately 22 ships, arrived in our country carrying 50 metric tons of medicines, food, bycicles, and bibles to be delivered today. I assume that this afternoon this cargo will be delivered to hospitals and to homes for senior citizens in our country.

[Arencibia] Is this the first visit of the Basta flotilla?

[Rodriguez] No. This is the second visit of the Basta flotilla.

Ciego de Avila Province Veterans Association Created

FL1810021693 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 18 Oct 93

[Text] The generations of yesterday and today have joined together once more in Ciego de Avila, on this occasion to create the provincial Veterans Association. The main goal of its over 10,000 members is the unconditional defense of the Revolution. Alfredo Hondal Gonzalez, member of the Politburo and first secretary of the Communist Party of Cuba in the province, and Division Generals Ramon Pardo Guerra and Joaquin Quintas Solas, chief of the Central Army, were on hand together with the top representatives of the provincial government.

The association is composed of members of the Rebel Army, the clandestine movement, Bay of Pigs veterans, veterans of the fight against bandits, and internationalist missions veterans, as well as members of the Revolutionary Armed Forces and Interior Ministry with over 20 years of active service, retirees, or on pension. All of them represent the unity of our forces in the task to survive and develop.

Cuban Weight-Lifting Instructor Allegedly Defects

PA1810044493 Mexico City NOTIMEX in Spanish 2329 GMT 14 Oct 93

[Text] Merida, 14 Oct (NOTIMEX)—Cuban weight-lifting instructor Francisco Javier Mendez Nosti, assigned to Yucatan in 1991 as the result of a sports exchange between Mexico and Cuba, allegedly has defected, because his whereabouts have been unknown since September. Fidencio Canto Sanchez, director of the Yucatan Youth and Sports Institute, has reported that Mendez left Yucatan more than one month ago to participate in a national championship with the local weight-lifting team in Guadalajara but did not return and has not been heard from since. Canto said they know only that Mendez had visited Mexico City, where he said he had health problems. The instructor never reported back, however, to the Mexican authorities who negotiated his arrival into the country.

He probably decided to quit and not return to his country, but there are no specific or confirmed reports, Canto said. He added that officials of the National Sports Committee's [Conade] Sport Talents, who got in touch with Mendez in Mexico City, likewise know nothing about his situation or whereabouts.

This week, the Mexican Weight-Lifting Federation released a letter asking Conade to return Mendez to Cuba due to his scant interest in his work and his wrong attitude, which caused division in the local weight-lifting community. The return to Cuba of Mendez—a former champion in the over-110kg category and who came in fourth in the Moscow 1980 Olympic Games—should have occurred at the end or during the renovation of the agreement between the two countries, scheduled to be negotiated in November.

If Mendez' defection is confirmed, this would be the second time in a single year that Cuban athletes assigned to Merida decided not to return to their country and take advantage of their stay in Mexico. In October 1992, Alexis Cabrejas, Ivan Alvarez, and Osmany Estrada, three members of the Cuban baseball team, which participated in the World Amateur Big League Championship, quit their team and traveled to Mexico City, from where they proceeded to the United States.

Two of them, Alvarez and Estrada, have signed professional contracts with the Texas Vigilantes, which assigned them to one of the team's small leagues where they will wait for a chance in the Big League. Cabrejas also was looking for a chance at professional baseball; apparently, the same Texas organization had plans to hire him.

Other Cuban sports instructors are also in Merida, including Rosa Bandera, an expert in rhythmic gymnastics, and Magda Suarez Arocha, an expert in synchronized swimming.

Dominican Republic

Government Orders Patrolling of Border With Haiti

PA1810023993 Paris AFP in Spanish 0026 GMT 18 Oct 93

[Text] Santo Domingo, 17 Oct (AFP)—Late today the Government of the Dominican Republic ordered the entire border with Haiti patrolled, Foreign Minister Juan Aristides Taveras Guzman reported today. Increased military patrolling at sensitive points on the border was reported yesterday.

Taveras reiterated President Joaquin Balaguer's determination not to dispatch soldiers to join the multinational force approved by the United Nations to participate in restoring democracy in Haiti. The minister advised that the only option for the Haitian process is to go back to zero, which would make it necessary to start all over again.

He said that despite reestablishment of the embargo on 18 October, the Dominican Government will continue to provide humanitarian assistance to Haiti. He did not specify, however, which items are included under this description.

Haiti

Cedras Notes Caputo's Assessment of Recent Events

FL1610154893 Port-au-Prince Radio Tropic FM in French 1030 GMT 16 Oct 93

[Report on a letter written by Haitian Army General Raoul Cedras to UN/OAS mediator Dante Caputo in Port-au-Prince on 14 October]

[Text] At this time, General Cedras has not yet made any public statement to indicate his stand on his retirement on the due date. Contrary to the provisions of the Governors Island Agreement, the general appears to be secure in his post. He asserted that he would not hesitate to appear before the national and international press with Dante Caputo in public debate.

In a letter to Dante Caputo, special UN/OAS representative in Haiti, Gen. Cedras has reproached the international mediator for his assessment of the events over these past days by the anchoring in the Port-au-Prince Harbor of the U.S. Navy's ship, the Harlan County. The general points out that these interpretations evoked first the mediator's public statements that tend to involve the Armed Forces in the protest movements started by the civilian population, and then, the resolution by the Security Council which reimposed sanctions against Haiti.

According to Gen. Cedras, Caputo has not taken into account the sensitivity of the Haitian people, their history, their traditions, and their morals in his assessment of the incidents that occurred during the protest demonstrations in past days. I could assert, writes Gen. Cedras, that the public and private stands of Haitian citizens, the 10 October press release of the Armed Forces, [words indistinct], the 11 October statement of the [Army] commander in chief, and the street demonstrations must be actually interpreted not as an opposition to technical assistance or a refusal, but as an insistent request of the nation so the government will explain the signed agreement and the true character of the assistance.

I am convinced that these pertinent observations and considerations will activate for you the runway lights not only for present actions but also for an accumulation of knowledge and know-how in your future missions and the continuation of your career, concludes Gen. Cedras in his letter sent to Dante Caputo on 14 October.

Malval Responds to Question of Foreign Intervention

FL1610171993 Port-au-Prince Signal FM Radio in French 1030 GMT 16 Oct 93

[Text] Prime Minister Robert Malval has reaffirmed his willingness to conclude [as heard] the implementation of the Governors Island Agreement providing for the return of President Aristide on 30 October. When asked about maintaining 30 October for President Aristide's return, Malval explained that President Aristide would have to make his own decision.

[Begin recording] [Malval] (?If) we tended to be demoralized, we have been determined more than ever since 14 October to [word indistinct] in vain because our friend, our colleague, our fighting mate [referring to Justice Minister Francois Guy Malary] cannot die in vain, is not dead in vain, and will not die in vain.

[Correspondent Rothschild Francois] Mr. Malval: U.S. representatives opt for the use of force in order to resolve the Haitian crisis. Are you for a foreign intervention in Haiti?

[Malval] The head of state is in Washington. He is the chief of Haitian diplomacy. He is in charge of diplomacy. He is in touch with all capitals of the world. You will have [as heard] the course of events in the next few

days. You will know what has been decided. One thing is certain: We will not let the Haitian population be slaughtered. [end recording]

Malval Declines Invitation To Meet With Deputies

FL1510155493 Port-au-Prince LE NOUVELLISTE in French No 34.646 14 Oct p 12

[From "The Buzz in the News" column: "The Prime Minister Declines Invitation"]

[Text] Prime Minister Robert Malval declined an invitation sent by a group of deputies to meet him yesterday. The object of this convening was to allow the prime minister to present a stand on the current crisis. The prime minister's reason for refusal was the fact that the executive power had convened the deputies in a special session in order to vote on the law on the separation of the police and the Army. Therefore, they do not have the right to convene him.

Council Calls For Strike Pending Malval Resignation

FL1510155693 Port-au-Prince Signal FM Radio in French 1030 GMT 15 Oct 93

[Text] The 11 October Revolutionary Council—11 October being the date of the aborted landing of the U.S. and Canadian soldiers of the UN Mission in Haiti [MINUHA] and this council a coalition dominated by the neo-Duvalierists of the Revolutionary Front for Haitian Advancement and Progress, FRAPH, of Emmanuel Constant and those of the Assembly of Democrats for the Republic, RDR of Attorney Gabriel Augustin—has called on the population through a communique to boycott all members of the civilian mission throughout the territory. The council has also demanded the immediate departure of Malval's government that it accuses of high treason for having asked for the occupation of the Haitian territory in violation of Article 1 of the Constitution.

According to this communique, the council asks the population to participate in a general mobilization until the departure of the Malval government and the civilian mission. The communique concludes that the general strike will be effective from Monday, 18 October if the Malval government refuses to leave.

The National Coalition of Gerard Bissainthe, former information minister [Nerette-Honorat government] and former anti-Duvalierist exile; the Haitian Party of God, PARADI of Reverend Richard Vladimir Jeanty; the People's Concentration of the Masses [Concentration Populaire des Masses, CPM] of (Carec Casseus); and the Independent Union of Drivers of Pierre Malvoisin complement this coalition which is keenly opposed to President Aristide.

Demonstrators Demand Reconciliation or FNCD Empowerment

FL1510202993 Port-au-Prince Signal FM Radio in French 1030 GMT 15 Oct 93

[Excerpts] There was a wave of panic in the area surrounding the Legislative Palace on 14 October. Demonstrators tried to attend a working session of the deputies. A delegation of those demonstrators managed to meet with the president of the lower chamber to present their demands. Daly Valet reports:

[Begin recording, in Creole] [Valet] On 14 October, rumor became reality. People claiming to be members of the Revolutionary Front for Haitian Advancement and Progress [FRAPH] went to the parliament where they asked to take part in the session although they are not parliamentarians. As there was no session on 14 October, a delegation of four met with Chamber of Deputies President Antoine Joseph. The delegations's demand is that the National Front for Change and Democracy [FNCD] should assume power and fulfill [the rest of] Father Aristide's mandate.

[Joseph] I was just coming in. When I got to the parliament, I noted that there was a wave of panic, that deputies were moving, that staff members were running away and clearing the building. When I asked what is going on, I was told that people who had come by truck and other vehicles were coming in to attend sessions. I simply asked that they be halted and that a delegation from them come to meet with me. This was done. A four-member delegation came to my office where they voiced their grievances, their problems, their needs, and what they would like [done] at the parliament.

[Valet] What are their grievances, Mr. President?

[Joseph] They simply asked for reconciliation between President Aristide and General Cedras. This is what they voiced. They said if reconciliation is not possible, FNCD should take power in order to carry out the rest of Arstide's mandate.

[Valet] The situation was very tense at the Chamber of Deputies. There was panic: Parliamentarians as well as employees were trying to escape. At one point, the group of protestors tried to close the chamber gate so nobody could go in or out. The behavior of this group of citizens did not please the president of the Chamber of Deputies. Antoine Joseph clearly told the delegation of demonstrators that just as they cannot thunder into a military barracks, neither do they have the right to thunder into the headquarters of the legislative power. Some of the demonstrators claim to be members of FRAPH but others say they are not part of FRAPH. However, the demand is the same: Gen. Cedras must remain at the head of the Army. [passage omitted]

We should say that Deputy Pierre Simon Georges and many other parliamentarians close to the Haitian Army

have proposed an amnesty bill to the Chamber of Deputies. Contrary to the amnesty order which was published by President Aristide, the (?period covered by) this amnesty bill begins on 29 September 1991, goes through 3 July, the date the Governors Island agreement was signed, and will end when this law is approved by the parliament and published by the executive power: That is an amnesty covering a long period of time, an unspecified time. Daly Valet for Signal FM. [end recording]

Police Offer Reward in Malary Assassination Case

FL1510181993 Port-au-Prince Radio Metropole in French 1045 GMT 15 Oct 93

[Communique issued by the police chief of the Military Department of the Metropolitan Area in Port-au-Prince; date not given]

[Text] The Military Department of the Metropolitan Area condemns strongly this act of provocation and takes this opportunity to offer its sympathies to his Excellency, Prime Minister Robert Malval, his government, and the families of the deceased.

In the meantime, the department urges eyewitnesses or other people with information to show public spiritedness. The department offers absolute protection and a reward of 5,000 gourdes to anyone who can provide information which will assist it in apprehending the criminals. Concerned people are asked to contact Captain Pierre Edwidge, Haitian Armed Forces, FADH, at the following telephone numbers: 22-41-67; 23-45-22 and 23-10-17.

Cedras Calls Malary's Murder 'Cowardly Attack'

FL1510203693 Port-au-Prince Radio Metropole in French 1600 GMT 15 Oct 93

[Text] General Cedras, in a letter to Prime Minister Malval, describes the murder [of Justice Minister Guy Malary] on 14 October as a cowardly attack and presents the Army's heartfelt condolences to the family of the murdered minister. It is imperative that we continue the struggle against the abject maneuvers of those deviants who are spreading sorrow, dismay, and discord to the benefit of some unconfessed interests, writes the general. Once more, the Haitian nation is deeply afflicted by the loss of one of its sons. The democracy of which we all dream for the welfare of our country will win, says Gen. Cedras in this letter addressed to Prime Minister Malval.

Civic Mission Condemns Assassination

PA1610045393 Paris AFP in Spanish 0333 GMT 16 Oct 93

[Text] Port-au-Prince, 15 Oct (AFP)—The UN/OAS International Civic Mission "forcefully" condemned in a communique this Friday the assassination yesterday of Haitian Justice Minister Guy Malary.

"This repulsive crime is the work of armed civilian groups acting with impunity. They are mainly responsible for the political violence that is adversely affecting the capital and the departments in the interior, thereby creating a climate of fear and terror," the communique states.

"In Port-au-Prince, the cases of arbitrary executions, of suspicious crimes, of kidnappings and abductions continue to increase" the communique states. It adds that "since late September the majority of the victims are members of community organizations. They are persecuted without respite by armed individuals who terrorize the poor neighborhoods from private or state-owned vehicles."

"The mission has received information that the area of Ti Tanyen called 'smelly fountains' (north of the capital) would be used to bury or to abandon bodies, including those of the victims of arbitrary executions," according to the communique, which adds that "eyewitness reports point out that kidnapped people are taken to this place to be executed."

The communique asks the responsible authorities to "take urgent measures to neutralize the armed civilian groups, to put an end to this wave of political violence and to the impunity of the perpetrators of these crimes."

Aristide Sends Message to Nation

FL1610174693 Port-au-Prince Radio Tropic FM in French 1600 GMT 16 Oct 93

[Message issued by Haitian President Jean-Bertrand Aristide on the occasion of the assassination of Justice Minister Francois Guy Malary; place and date not given—read live by announcer Mirlene Joanis in Creole]

[Text] President Aristide has sent a message in Creole to the Haitian people. Let us listen to Mirlene Joanis for the content of this message.

[Joanis] Sisters and brothers of mine: Once again, death has gathered us under the bower of suffering. On Thursday, 14 October, our mother Haiti lost its son Francois Guy Malary who fell together with other brothers of ours under a burst of bullets.

Guy, brother of ours, justice minister of ours, sorrow has swept us through, suffering has shrouded us, our heart is bleeding, and tears have not stopped flowing down from our eyes, those of our mother Haiti, and those of her children. Under this suffering, I bow down to you, Guy, while sharing condolences with each member of your family, the mothers, the fathers, and the sisters of each of the three other brothers of ours who fell with you. Condolences to Prime Minister Robert Malval and all the other ministers. Your suffering is my suffering, cheer up. Hand in hand with the Haitian people, we are suffering together so we can be relieved together.

Congratulations to Guy, my brother whom I love so much. Congratulations to the government for the great

solidarity it has displayed to our justice minister. Condolences to all officers and noncommissioned officers, and soldiers who have lost their brothers in arms. Both military as well as civilians are children of the same land. We came from the womb of Haiti, the mother of all of us. When someone's nose is hit, tears appear in his eyes [nen pran kou, je kouri dlo]. The suffering of one is that of the others.

I take this opportunity to thank all those who have shared condolences with me, especially President Clinton and U.S. Vice President Al Gore. While this wind of death is blowing, we have talked several times on the phone so as to look for a way to live together, that is the way to democracy that goes through 30 October. Sisters and brothers of mine, all of you who are suffering, cheer up. May an avalanche [lavalas] of life flood all Haiti's children!

Aristide Issues National Mourning Order

FL1610181193 Port-au-Prince Radio Tropic FM in French 1600 GMT 16 Oct 93

[Order issued by Haitian President Jean Bertrand Aristide for national mourning issued on 16 October; place not given]

[Text] Reactions continue to be noted following the assassination of the justice minister, attorney Guy Malary. Before we present reports on the latest reactions, be advised that by an order dated 16 October and signed by the president of the Republic, and approved by the ministers of the Malval government, Monday, 18; Tuesday, 19; and Wednesday, 20 October are declared days of national mourning in memory of the victims of the 14 October slaughter. Public services, the business sector, and schools will observe those three days.

Capital Street Activity Minimal After Assassination

FL1510210293 Port-au-Prince Radio Metropole in French 1600 GMT 15 Oct 93

[Text] Scattered people, light traffic, and slow commercial activities characterize the capital the day after the murder of Justice Minister Guy Malary, his two bodyguards, and his driver. Even the schools, which were in session all week, did not open their doors today.

Jusice Minister Malary had just left his office on 14 October at 1730 GMT when a group of armed men chased his car and killed him and the other men in the car in cold blood. The car was riddled with bullets in the attack near the Sacre-Coeur Church where, about a month ago, businessman Antoine Izmery was killed by unknown armed men.

A great panic shook the neighborhood after this murder, provoking the immediate closing of the stores.

Today, a great slowdown of activities is evident in Port-au- Prince, still under the shock of the 14 October attack.

Army Sergeant Shot to Death; Corporal Kidnapped

PA1510232293 Paris AFP in Spanish 2213 GMT 15 Oct 93

[Text] Port-of Prince, 15 Oct (AFP)—A Haitian Army sergeant was shot to death 14 October in Port-of-Prince, and a corporal was kidnapped today, the secretariat of the Haitian Army General Staff has announced.

Sergeant Fleurand Dieuseul was killed near Sacred Heart Church by unidentified people, who escaped, while Corporal Exantus Jean Robert was kidnapped in the Lalue Neighborhood. The source added that nobody has claimed responsibility for any of these actions.

OAS, UN Civilian Personnel Flown to Dominican Republic

PA1610004893 Paris AFP in Spanish 2355 GMT 15 Oct 93

[Text] Port-au-Prince, 15 Oct (AFP)—Civilian personnel of the OAS and UN mission in Haiti began being airlifted this Friday to neighboring Dominican Republic, a spokesperson for the mission told AFP. The first group of persons to be evacuated left early this evening aboard a charter flight. Two other aircraft will be chartered tomorrow, Saturday, to fly out the remaining personnel, diplomatic sources announced.

The 13 offices of the mission in Port-au-Prince and provinces were closed down earlier, while all of their equipment was moved to a hotel in Port-au-Prince for security reasons.

Dante Caputo, who is responsible for the mission, and several associates remained in the Haitian capital. The mission, made up of 270 persons of the OAS and United Nations, were in charge of supervising the human rights situation in the country. The decision to leave Haiti was confirmed by a UN source in New York.

Haitian Minister Appeals UN Sanctions Enforcement

LD1710090493 Paris Radio France International in French 0800 GMT 17 Oct 93

[Text] Haitian Foreign Minister Claudette Werleigh has appealed to the francophone community. She is currently attending the francophone summit in Mauritius, where she spoke to our reporter, Francette Brun:

[Begin recording] [Werleigh] I think the francophone countries must also back and enforce the sanctions that have been imposed by the United Nations. This is very important. Our country is part of an island, and when countries are really targeted then this forces the people

who are aimed at to negotiate. It is not so much the measures on oil, it is more the withdrawal of visas and the freezing of their private assets which will force them to the negotiating table.

[Brun] What specifically are you expecting from the francophone countries?

[Werleigh] Their solidarity in this crisis, and once the crisis is over, we hope for their help in setting up the democracy that we aspire to. We absolutely need help in setting up a police body which will be entirely separate from the army and which will respect the citizens, which will protect them. We need an army which will go back to the borders and protect the country. We need financial and economic help for the country to recover, to build solid economic foundations for the country. [end recording]

Canadian Warships To Join U.S. Naval Blockade

LD1710153893 Montreal Radio Canada International in English 1430 GMT 17 Oct 93

[Excerpts] Three Canadian ships have been ordered to immediately join the United States naval blockade around Haiti. [passage omitted] Canadian Prime Minister Kim Campbell ordered the two destroyers, HMCS Gatineu and Fraser and the supply ship HMCS Preserver, to join the blockade late yesterday. The ships are now in position. They had been on military exercises elsewhere in Caribbean waters. [passage omitted]

Violence Continues; 2 Dead, Several Injured Overnight

PA1710165593 Madrid EFE in Spanish 1556 GMT 17 Oct 93

[Text] Port-au-Prince, 17 Oct (EFE)—Two people were killed and several others were injured last night in Port-au-Prince where the situation remained tense due to the continuous shooting of high-caliber automatic weapons.

According to sources, as Saturday afternoon wound up several people were shot dead or injured in the northeastern part of the capital. Even in residential areas on the outskirts of Port-au-Prince, such as Laboule-Thomassin, which is traditionally a quiet place, shots were heard throughout the evening.

Two people died on Lamartine Street in Christ-Roi, while two others were wounded. In Hourdon, Nazon 2 Street, a man was injured and on Popupelard Avenue another man was seriously injured, sources concluded.

Government Supports UN Sanctions in Haiti

FL1610004293 Bridgetown CANA in English 2208 GMT 15 Oct 93

[Text] Kingston, Jamaica, Oct 15, CANA—The Jamaica Government says it fully supports United Nations reimposed sanctions against the military-backed regime in Haiti.

The announcement followed the assasination Thursday of pro-democracy Haitian Justice Minister Guy Malary and three other persons.

A statement issued Friday by the Jamaica Information Service (JIS) said the government will support the restoration of sanctions, "unless all parties to the Governors' Island agreement accord, act in full compliance with its provisions."

"We are especially outraged at the fact that this latest upsurge in violence comes at a time when President (Jean-Bertrand) Aristide is due to resume office in a matter of days and regard these developments as a flagrant attempt by the de facto regime and its supporters, to thwart the development of the democratic process."

It added: "The recent refusal to allow the U.N. team to enter Haiti is a clear demonstration of the intentions of the de facto regime."

The statement was issued on behalf of Prime Minister Percival Patterson who attended a summit of Caribbean and Latin American leaders in Trinidad and Tobago, called on the de facto regime and its supporters, "to desist from their present course of violence and intimidation".

Caribbean and Latin American countries unanimously agreed during their meeting to support the reintroduction of sanctions against the Haitian regime.

Under a U.N.-brokered accord on Governors' Island in United States in July Haiti's military ruler Raoul Cedras agreed to step down and allow Aristide to resume the presidency.

U.S. Must Work With Region To Increase Jobs

PA1510153393 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 15 Oct 93

[Report from Santiago, Chile, by Jaime Guerrero from the "Good Morning From Mexico" newscast]

[Text] In Latin America, the North American Free Trade Agreement [NAFTA] has become the key topic during President Carlos Salinas de Gortari's visit to the region. In a meeting with businessmen here in Santiago, Chile, the Mexican president indicated that U.S. prosperity is involved in this trilateral agreement. He added that, if the United States wants to regain lost jobs and create new relations in the hemisphere, it must make its economy complementary with the economies of Mexico and Canada.

[Begin Salinas recording] If the United States wants to regain jobs in the face of a unified Europe and the Asia-Pacific region, which is what all of North America wants, it must make joint efforts, because we can complement one another. I have insisted that NAFTA is inevitable. Why? Because it will serve to bring order to very complicated relations. [end recording]

The president's state visit began with an official welcome by Chilean President Patricio Aylwin at Constitution Square, where honors were presented by a carbineer unit. The two presidents entered La Moneda Palace, where they held private meetings in the company of their ministers and delegates in charge of economic affairs.

As President Salina's activities flowed smoothly, Latin American countries continued to pressure the U.S. Congress to approve NAFTA. President Aylwin indicated that a virtual rejection of NAFTA would send a negative signal to Latin America as a whole. Government sources indicated that the Rio Group countries, which will hold a summit on Friday, also will support NAFTA's ratification or condemn a virtual delay in it. While this was happening, the Mexican and Chilean presidents were giving a boost to economic relations between the two countries within the framework of a complementary economic agreement that has increased bilateral trade by 40 percent after diplomatic relations were resumed following a 14-year rupture.

[Begin Aylwin recording] I am fully confident, but one cannot doubt that the success of this does not solely depend on official decisions or good relations at the government level. It is the people within the countries who will provide the flesh and blood through their economic activity and exchange. [end recording]

A handshake sealed a joint communique in which the two leaders warned about the need to consolidate international cooperation for the sake of a political dialogue on the continent that supports regional peace and economic and social development. In this respect, they noted the importance of expanding reforms in the OAS. Accompanying Salinas on this official visit to Chile are Foreign Secretary Fernando Solana; Jaime Serra Puche, commerce and industrial development secretary; and Jose Angel Gurria, National Foreign Trade Bank director. Wednesday [13 October—as heard] afternoon, the Mexican president and Mrs. Cecila Ocelli de Salinas went to the Mexican Embassy to attend a ceremony to mark the creation of the Advisory Council of the Chilean-Mexican Culture Institute. Mrs. Hortensia Bussi, widow of Chilean president Salvador Allende, was there. Later in the afternoon, President Salinas gave a lecture at Chile University and met with lawmakers, thereby concluding a day that started with the placing of wreath at the monument of Chile's liberator Bernardo O'Higgins. On Friday, President Salinas will attend the inaugural session of the sixth Rio Group summit. Everything is set for the meeting.

Unions Want Workers Rights Clause Included in NAFTA

PA1510205093 Madrid EFE in Spanish 0132 GMT 14 Oct 93

[Text] Mexico City, 14 Oct (EFE)—Today, Thursday, the International Conference of Free Trade Union Organizations (ICFTUO) urged that the North American Free Trade Pact (NAFTA) to consider a clause stipulating the labor rights of Canadian, U.S., and Mexican workers.

"It is essential that, once NAFTA has been ratified, for the Canadian, U.S., and Mexican union organizations to negotiate a social clause that includes workers rights," according to ICFTUO Secretay General Enzo Friso.

Friso today met in Mexico City with Fidel Velazquez, general secretary of the Confederation of Mexican Workers (CTM), which comprises approximately 6 million workers.

He pointed out that during his interview with Velazquez both agreed to encourage actions aimed at protecting workers. They also discussed the main obstacles workers can expect to confront if the NAFTA is implemented.

"There is need for control mechanisms to ensure that union freedom does not transform into low-cost labor without there being any benefits for the workers of the three countries," Friso stated. Meanwhile, Friso called on all U.S. workers to fight against the neoliberal system which, in his opinion, "is destroying the world economy."

Government Accepts UN Resolution Against Haiti

PA1810044693 Mexico City NOTIMEX in Spanish 0421 GMT 18 Oct 93

[Text] Mexico City, 17 Oct (NOTIMEX)—Mexico accepts the UN Security Council's resolution to enforce the embargo decreed against Haiti's de facto regime, Fernando Solana, the secretary of foreign relations, reported tonight.

The Foreign Relations Secretariat issued a communique in which it ratified the suspension of its trade with the Caribbean nation.

In addition, it expressed its rejection against any unilateral action against Haiti, as well as against an armed intervention that may attempt to remove the current de facto regime.

PRD Proclaims Cardenas Presidential Candidate

PA1810013893 Madrid EFE in Spanish 1940 GMT 17 Oct 93

[Text] Mexico City, 17 Oct (EFE)—Cuauhtemoc Cardenas was proclaimed today presidential candidate for the 1994 to 2000 term by the Party of the Democratic Revolution (PRD), the third Mexican parliamentary force.

Cardenas was unanimously designated on 16 October by 740 PRD delegates during the National Electoral Convention held by the PRD in the Mexican capital. During this convention the party political and electoral platforms for the presidential elections to be held in August 1994 were discussed.

Today, at the Sports Palace of Mexico, Cardenas was proclaimed presidential candidate, while he promised to struggle for the nation's democratization.

"I will contribute with all my efforts to honor the responsibility I have accepted, and I uphold my decision to devote myself to the cause of democracy without reserves," he said.

Cardenas said that the struggle for democracy in Mexico "will have to choose between the consolidation of a state party regime based on authoritarianism, corruption, and servility or a democratic system with respect of the votes, social equality, and an economic process that will benefit all."

Cardenas gave his speech to 22,000 party sympathizers, among them 30 representatives from the United States, Haiti, Brazil, Argentina, the Dominican Republic, Cuba, Spain, France, and the PLO.

"In 1994 we face the challenge of our generation; it is also our great opportunity. If democracy wins, the right to life and dignity for the recovery of the legal regime and of liberties will be achieved," he said.

Cardenas said that with democracy "corruption, poverty, unhealthiness, ignorance, injustice, and social inequality can be eliminated."

Cardenas acknowledged that the struggle for Mexico's Presidency will be difficult, because the recent electoral reforms "could not violate more the public's essential rights."

In the electoral process "one must reject all of the regime's attempts to violate our rights," he said.

Should he win the elections, Cardenas proposed legislative reforms to guarantee social equality and freedom of expression for the church.

Cardenas also proposed the democratization of public power, an increase in social spending, a provision to all citizens access to education, food, and housing, and taking action against impunity, and increasing the flow of foreign investment and local economic production.

He also promised there would be an improvement in workers' income, that he would do away with economic monopolies, guarantee the survival and respect for Indian groups that live in the nation, and respect children, the younger generation, and women.

On NAFTA, Cardenas said that if it is approved he would preserve it with some changes. If it is not, "we would look for a convenient and fruitful trade relation with the United States, placing priority on immigration and drug-trafficking issues," he said.

Cardenas also proposed broadening even more trade and relations with Latin America and "fostering constructive relations with the rest of the world, with the broadest diversification of our trade and respect for self determination."

The PRD candidate is 59, the son of former Mexican President Lazaro Cardenas. This is his second consecutive attempt to attain the Presidency after being the National Democratic Front candidate in 1988. At this time he officially lost to President Carlos Salinas de Gortari. Cardenas is an engineer; he was a senator between September 1976 to November 1982, and Michoacan State governor from 1980 to 1986. He held these two positions within the ruling Institutional Revolutionary Party (PRI).

Current PRD President Porfirio Munoz Ledo and Cardenas left the PRI in 1987 after they were prevented from participating in the internal electoral process to choose a presidential candidate for the 1988 to 1994 term.

The PRD was founded in October 1988 by traditional leftists leaders and several former PRI activists after the Mexican Socialist Party officially yielded their voters registrar. The PRD is considered the first social opposition force, given its capacity to summon and mobilize the people.

The official registers to present the presidential candidates will open officially in February, and the presidential elections are slated for August. The new president will be sworn in in December 1994.

Border Association President on 'Operation Blockade'

PA1510234793 Paris AFP in Spanish 1947 GMT 15 Oct 93

[Text] Mexico City, 15 Oct (AFP)—"Operation Blockade," implemented by the United States to prevent the entry of illegal workers, continues despite Mexican protests at a time in which the governments of both countries are trying to promote the North American Free Trade Agreement (NAFTA).

On 20 September U.S. immigration authorities implemented "Operation Blockade" at the border crossing of Ciudad Juarez (Mexico) and El Paso (United States), which led the Mexican Foreign Ministry to send a protest note to Washington.

Jorge Bustamante, president of the Northern Border Association [El Colegio de la Frontera Norte], told a radio station this Friday that "worse things lie ahead," because the situation that has been created at the border has not yet reached the bottom.

Bustamante, a specialist in Mexican immigration to the United States, said that actions such as "Operation Blockade" are part of a historic situation that occurs when the U.S. economy has problems and "politicians turn Mexican immigrants into their scapegoats."

He said the Mexican Government has been "very responsible" in its reaction, because the "imbalance in power is huge and the United States can exert pressure very easily."

Bustamante said the application of such a harsh measure at the Mexican border is incomprehensible, because "in the history of relations an operation blockade is only done against an enemy country," but at the same time the United States is treating Mexico as an associate with whom it hopes to sign NAFTA.

The Mexican Congress expressed "its deep concern over the attitude of the Border Patrol," and stated that Mexican immigration has made a contribution to the U.S. economy.

The Mexican Government and Congress have stated that "Operation Blockade" constitutes a sovereign decision of the United States but have proposed that immigration problems be discussed in a dialogue and not with unilateral decisions.

Bustamante said "Mexicans must respond to the U.S. action with a 'Dignity Operation' to suspend local border crossings," which would adversely affect the economies of the bordering U.S. cities.

According to reports from the Mexican media, "Operation Blockade" could be extended to other points of the 3,000-km border shared by Mexico and the United States, which would create a crisis in their bilateral relations.

Costa Rica

'Attack' on Clinton's Latin America Policy Criticized

PA1510233193 San Jose LA NACION in Spanish 8 Oct 93 p 6A

[Report by Nelson Murillo]

[Excerpts] The U.S. Embassy in San Jose yesterday criticized President Rafael Angel Calderon for his 6 October statements criticizing the Clinton administration's foreign policy.

Journalist Wagner Villegas, a member of the U.S. Embassy's Press Office, read a two-line communique issued by Chief of Information Elizabeth McKay stating "the attack from President Rafael Angel Calderon is not advantageous." [passage omitted]

Parallel to the U.S. diplomatic mission's statement, President Calderon again criticized the Clinton administration, because, in his opinion, "it has yet to definite a clear policy for Latin America."

He said it took President Bill Clinton eight months to appoint an assistant secretary of state for Inter-American Affairs, a post given to Alexander Watson.

The president said "it is difficult for the country to maintain with Clinton the friendship it had with former President George Bush and his family."

The Costa Rican president's statements were given in the midst of the business sector's uncertainty concerning the future of bilateral relations.

National exports to the United States within the Caribbean Basin Initiative and the General Preferential System add up to, according to Second Vice President Arnoldo Lopez, approximately $400 million; therefore, it is believed the lawsuit against the country, for its alleged violation of labor rights, would have catastrophic results on our trade balance. National exports to that market will total $1.058 million this year.

The president said Clinton interferes in the country's internal affairs, and he stated his satisfaction because representatives of the Latin American and Caribbean Group (Grulac), who met yesterday in New York, strongly rejected any sanction against Costa Rica. In fact, they used as an example the country's history of respect for basic rights, particularly human rights, and the protection and guarantee of workers' rights.

The commission studying the country's defense against the AFL-CIO lawsuit will meet at 1600 on 18 October at the Presidency. Four representatives of the Union of Chambers yesterday met with Second Vice President Arnoldo Lopez to determine what strategy will be implemented in this case.

Deputies Criticize 'Disrespectful' U.S. Embassy Official

PA1710134893 Mexico City NOTIMEX in Spanish 2331 GMT 16 Oct 93

[Text] San Jose, 16 Oct (NOTIMEX)—The governing Social Christian Unity Party deputies today criticized a U.S. Embassy official in San Jose who acted in a "disrespectful" manner and in detriment to the nation's sovereignty.

The congressmen's reaction this weekend was triggered by a letter sent by Joseph Becelia, the U.S. charge d'affairs in San Jose, to Alejandro Matamoros, the deputy presidency minister, regarding an old expropriation problem. The diplomat based his arguments on the fact that the Costa Rican courts rejected an appeal by Robert Stone, an investor in the TITISA [not further identified] firm. The firm's land was declared necessary for tourism, and expropriated, but compensation is still pending. Stone and the Costa Rican Government had agreed to submit their differences to arbitration. The U.S. citizen, however, appealed the arbitration court's ruling at the Court of Administrative Disputes. The latter court upheld the ruling.

The U.S. Government representative warned Matamoros that the court rulings "were clearly inadequate." He added that "(the Costa Rican Government) is still responsible and has to provide prompt, adequate, and effective compensation" to Stone. Washington will abstain from helping countries that refuse to give "prompt, adequate, and effective compensation (to U.S. citizens) for their expropriated properties," Becelia emphasized. In the ambassador's absence, Becelia heads the U.S. diplomatic mission in Costa Rica. Additionally, he stated that the assistance that could be stopped "could include CBI (Caribbean Basin Initiative) privileges and other assistance."

Deputy Gerardo Bolanos recalled that Stone, together with the Costa Rican Government, had promised to accept the arbitration court's ruling and renounced "exercising any type of action, judicial or extrajudicial, present or future, in or out of the country, and, especially, to invoke any clause in the CBI."

The 27 government deputies in the Legislative Assembly supported the criticism of the U.S. diplomat and pointed out that his statements were not justified, as Costa Rican authorities have complied with all their legal obligations.

Minister Orders Reopening of Border to Panamanian Products

PA1510231993 Panama City Radio KW Continente in Spanish 1200 GMT 14 Oct 93

[From the "Continente Clock Radio" newscast]

[Text] Reports from San Jose indicate that Costa Rican Agriculture Minister Juan Rafael Lizano was the one who ordered the reopening of the Costa Rica-Panama

border after announcing that a meeting will be held next week in the Panamanian capital to discuss the onion trade conflict.

The Costa Rican minister ordered the return of four containers of onions which were being held in Paso Canoa. He said that at the meeting to be held in Panama, he will request the exclusion of agricultural products from the commercial treaty between the two countries, which has been in force for 30 years.

Representing Costa Rica in this meeting will be Foreign Minister Bernd Niehaus, Deputy Minister of Agriculture Joaquin Acuna, and Deputy Minister of Trade Gustavo Gutierrez.

President's Labor Guarantees Bill Criticized as 'Too General'

PA1510132293 San Jose LA NACION in Spanish 6 Oct 93 p 5A

[Report by Emilia Mora]

[Text] The labor guarantees bill submitted to Congress by President Rafael Angel Calderon has caused controversy within all sectors involved. Both labor and management leaders disapprove of the government's initiative, because they consider it untimely, given the electoral process currently under way, and they believe it is insufficient for resolving the labor problem in Costa Rica.

The same topic was discussed for several hours during a plenary meeting yesterday, and it was decided to send the bill directly to the Legal Affairs Commission in an effort to obviate procedures related to the bill's publication and waiting period, which might obstruct it.

Labor law specialists believe the bill is too general and may have resulted from pressure on Costa Rica by the International Labor Office [ILO] because of alleged labor persecution. Nevertheless, the situation does not seem to bother the head of state, who believes everyone should have the right to state their views on the topic in a national debate.

He said: "Everyone has the right to state his views. It is a bill we sent to the assembly to allow a national forum in which all of the sectors can state their views."

Meanwhile, Samuel Yankelewitz, president of the Chamber of Industries, said: "Instead of guarantees, the bill is a labor statute which leads to labor immobility. I think the government has gone too far. It only benefits the workers, not management."

Both Yankelewitz and Rodolfo Castro, his counterpart in the Costa Rican Chamber of Exporters (Cadexco), believe the bill should be changed. Moreover, they were annoyed about the scant discussions given to the issue.

"This is a bill that requires the intervention of all sectors to find things that are more appropriate, but I worry that this is taking place in the middle of a political campaign... because this should have been presented earlier," Castro stated.

The initiative provoked similar reactions among labor leaders, who believe the bill is a mockery. "It is a government maneuver to wash its face before the ILO representatives, and it is a mockery for us because it resolves nothing. It is so very, very general that it guarantees nothing," according to Albino Vargas, member of the National Association of Public Employees (ANEP).

Similar statements were made by William Bogantes, president of the Associated Teachers Organizations Council (CIMA), and Gilbert Brown, of the Rerum Novarum Workers' Federation. All were skeptical and displeased with the bill.

Labor specialist Carlos Carro said this is not the first time a labor law has provoked controversy, but, like on previous occasions, the labor guarantees bill can still be discussed.

"The bill talks about disloyal labor measures, but it does not define or list them. It is very general, but it is an important step for the labor unions because it essentially strives to protect labor union members," Carro explained.

His colleague, Ricardo Harbottle, openly said: "It is useless to continue drafting laws if the procedural system is not changed. Otherwise, it will be another mockery for the workers."

Referring to this issue, although certain Social Democratic deputies agreed to send the bill to the Legal Affairs Commission, they also agree the initiative must be improved, because, rather than representing benefits to the worker, it weakens the reasons for dismissing a worker because of his participation in labor unions.

El Salvador

President: No Timetable for Truth Commission Recommendations

PA1410213293 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 12 Oct 93

[Report by Dagoberto Correa from the "Facing the Moment" newscast]

[Text] President Alfredo Cristiani said on Tuesday that there is no specific timetable for implementing the Truth Commission's recommendations. According to the leader, many recommendations cannot be scheduled as they are part of a reform process. He mentioned the Judicial Branch as an example.

[Begin Cristiani recording] There is no timetable for the implementation of the recommendations and I never said there was. The FMLN [Farabundo Marti National

Liberation Front], however, did request a timetable for everything. Many of the things in the report are not conducive to scheduling, because they are part of a reform package. The Judicial Branch is very much involved in this and we have taken some steps in several areas. The Judicial Branch has been working on an almost complete legal reform, including the criminal code and criminal procedural code, since before the Truth Commission offered its recommendations. This is not something we can hurry. We must examine the issues carefully, listen to other views, seek greater participation, and so on. [end recording]

President Alfredo Cristiani also met with human rights ombudsman Carlos Mauricio Molina Fonseca to discuss the citizens' security law. Cristiani reported that the government and the human rights official agreed to join forces to reform the country's legal system.

[Begin Cristiani recording] This is to try and constantly update the set of provisions that govern the Salvadoran state of law. Some laws deal with crime, others deal with security, and so on, and we must carry on with this effort. This does not necessarily mean we are going to repeal specific laws, as they can be reformed, streamlined, and updated. All laws must eventually conform to the needs of time and the needs of the community and the nation. Hence, this will be an ongoing effort. [end recording]

UNOC Opposes Government Withdrawal From Economic Forum

PA1510183293 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 11 Oct 93

[Report by Imelda Alvarenga from the "Facing the Moment" newscast]

[Text] The National Peasant-Worker Unity, UNOC, decried on Monday the decision by the private sector and government to withdraw from the Forum for Economic and Social Consensus. The business sector and government have threatened to withdraw as of 10 November because of the start of the election campaign. UNOC leader Freddy Vasquez said this withdrawal would, among other things, delay the approval of a labor code that will regulate labor-management relations.

[Begin Vasquez recording] If the government and the business sector withdraw, they are only obeying their own group interests and ignoring the interests of all those people who, from the start, pinned their hopes of improving their situation on the forum. [end recording]

If the government and the business sector withdraw from the forum, it will mean that entity will not resume its work until 1995, the workers indicated. In addition, Vasquez indicated that El Salvador may be removed from the U.S. Generalized System of Preferences [GSP] if the government continues to violate labor rights.

[Begin Vasquez recording] We have written a letter addressed to the UN secretary general and his representative in this country, reporting the violations of labor rights by the government and business. Hearings will be held in a Senate subcommittee, and, depending on the information that we will send, the panel's analysis may have an impact on a decision related to the GSP benefits. [end recording]

The GSP allows several countries to introduce exported products into the United States tax free.

Cristiani Says Peace Agreements Being Fulfilled

PA1610042693 San Salvador EL DIARIO DE HOY in Spanish 13 Oct 93 p 3

[Text] [No dateline as received] The Chapultepec agreements are being fulfilled within the established timeframe, except for the law reforms, which require time to be modernized, President Alfredo Cristiani stated yesterday.

The president said: "We must not hasten the law reforms but must make an in-depth analysis of them and hear opinions of the different sectors, through forums, as we have been doing thus far."

He said that even before the Truth Commission's recommendations were learned, work began on the penal and criminal code reforms and raised the need of making reforms to trade, security, etc.

The president was interviewed in the National Theater of the capital on the closing of the first national meeting for peace and reconciliation, which was organized by the Education, Defense, and Foreign Ministries.

President Cristiani said the event had allowed the people to learn of the Salvadorans' feelings on the topic of peace. "With their deeds, they have made it quite clear that we must discard the culture of hate and violence and open the door to the culture of love and peaceful coexistence," he said.

He said that peace has a profound political and sociological connotation, which acquires its true dimension when the people live under the protection of the law to achieve their objectives of economic progress and welfare.

President Cristiani gave out medals and certificates to the winners of the contest and plaques to the jury members.

FMLN Accuses Cristiani of 'Proselytizing' in Election Process

PA1610044393 Mexico City NOTIMEX in Spanish 1647 GMT 13 Oct 93

[Text] Mexico City, 13 Oct (NOTIMEX)—The Farabundo Marti National Liberation Front (FMLN) Party today in this city accused Salvadoran President

Alfredo Cristiani of proselytizing for his party, which is inappropriate for his position.

In an interview with NOTIMEX, Alfredo Zamora, FMLN representative in Mexico, rejected statements made last Monday by Cristiani that former guerrillas are "buying votes" of the Salvadoran population in exchange for money, fertilizers, "and other things."

Zamora said that the FMLN has no resources "to squander in such a way," and he maintained that the statements made by the Salvadoran president are the result of "his blatant political activism in favor of his party," the Nationalist Republican Alliance (Arena).

During this preelectoral period, Cristiani "has played a partisan game, which is incompatible with his presidential role," said the member of the FMLN Foreign Relations Secretariat.

Zamora added that the FMLN has a positive outlook on its participation in the 20 March 1994 elections to choose a new president, 84 Legislative Assembly seats, and 262 mayors.

"Polls show that the FMLN and the Democratic Convergence, which nominated Ruben Zamora as its presidential candidate, is the second national political force. This guarantees us a significant representation in Congress and in the municipalities," he said.

He said that currently 700,000 Salvadorans of the 1.5 million eligible voters have no voting cards to exercise their right to vote.

Zamora also commented on the need to purge immediately the electoral register, because it includes both the more than 1 million Salvadorans who left the country due to the internal conflict and the 75,000 people who died during the 12-year war.

"In El Salvador the war started, because people realized that their will was not respected through political means. If the problems of the electoral registers and the voting cards are not solved, Salvadorans will again be frustrated," he insisted.

Zamora said that the FMLN "is making every effort to ensure that the peace process becomes irreversible to allow people to have a future in which we will be able to coexist. History, we believe, will tell if this goal was achieved."

Guatemala

Guerrillas Blow Up Siguacan Bridge

PA1410225893 Guatemala City Teleonce Television in Spanish 1900 GMT 14 Oct 93

[From the "Telepress" newscast]

[Text] A guerrilla commando blew up a road that leads to the Pacific this Thursday [14 October] morning. The attack occurred at km 125 where two powerful explosions caused the destruction of the Siguacan Bridge, also known as Puente Seco Dos in the jurisdiction of Rio Fravo, Suchitepequez. Damage is estimated at 1.5 million quetzales. The vehicular traffic has been diverted to Tiquisate, Nueva Concepcion, and onto the highway leaving Cocal.

The attack occurred one day after the Guatemalan National Revolutionary Unity announced its rejection of the government peace plan.

Attorney General Files Writ of Unconstitutionality

PA1510023293 Panama City ACAN in Spanish 2348 GMT 14 Oct 93

[Text] Guatemala City, 14 Oct (ACAN-EFE)—The Attorney General's Office today filed a writ of unconstitutionality against the decision by five magistrates to suspend provisionally the plebiscite convoked for 28 November within the purge process promoted by President Ramiro de Leon Carpio. In addition, the same office announced that it will initiate criminal action against the magistrates because they committed several crimes including "usurpation and prevarication."

Attorney General Telesforo Guerra explained today that he filed a writ of unconstitutionality against the decision of the magistrates who filed an amparo on behalf of a group of deputies who feel they are affected by the plebiscite which also seeks to purge the Supreme Court.

According to Hector Luna, secretary general of the presidency, the legal actions by the Attorney General's Office will allow not only holding the referendum, but will also give more legitimacy and institutional support for the process. The actions were presented before the Constitutionality Court, the highest ranking court in Guatemala, he said.

The attorney general charges Magistrates Ana Maria Vargas, Leticia Rodriguez, Angel Alfredo Joaquin Quiyuch, Romeo Alvarado Polcano, and Benjamin Rivas Barato with "prevarication." According to Guerra, the deputies' amparo should have been received and solved by the nine justices of the Supreme Court and not just five. Luna also said that the justices should not have received the writ because they are part of the process that the president is promoting to purge the congress of 116 deputies and the court.

De Leon Counters URNG Rejection of Peace Plan

PA1510043093 Guatemala City PRENSA LIBRE in Spanish 14 Oct 93 p 2

[Text] President Ramiro de Leon Carpio last night told PRENSA LIBRE the government's peace plan is consistent and realistic; adding he will not acknowledge the Guatemalan National Revolutionary Unity (URNG) commanders' rejection of the government proposal.

He added that if the rebels have adopted such a decision it is UN Secretary General Butrus Butrus-Ghali's duty to notify him publicly and clearly, because he is the international moderator of the talks.

The plan proposed by the government is "perfectly well analyzed and planned, because its three focal points allow all the social groups' participation in the search for solutions to the national problems. What we seek is the achievement of an overall peace rather than the absence of bullets," the president said.

President De Leon said he has great hopes for the international mediation in the conflict because this will allow an end to the internal military conflict that has prevailed for 30 years and has only left destruction, desolation, and death.

Monsignor Rodolfo Quezada Toruno, conciliator of the peace talks between the Guatemalan Government and the URNG, last night abstained from commenting on the guerrilla commanders' rejection of President Ramiro de Leon Carpio's peace plan.

When consulted over the telephone concerning this topic, he said "the issue is too complex and I would rather not comment; I must carefully analyze the URNG's reply and later refer to it." He added that it will possibly take him several days to issue any comment in this regard.

Constitutionality Court Reinstates Congress President Lobo

PA1510044393 Guatemala City SIGLO VEINTIUNO in Spanish 14 Oct 93 p 5

[Report by Carmen Aida Ibarra]

[Text] The Constitutionality Court [CC] yesterday granted a definitive amparo writ in favor of Deputy Jose Fernando Lobo Dubon, reestablishing his juridical position as president of Congress. This action invalidated the action of a group of lawmakers who tried to oust Lobo on 5 September.

For the purposes and fulfillment of this resolution, the CC ordered the deputies who attempted to disavow Lobo as Congress president to abstain from blocking the normal development of the functions of the legally elected Congress Board of Directors. The CC also asked deputies to fulfill this ruling under the warning of imposing fines totaling 4,000 quetzals against each of them in case of noncompliance, without having any bearing on the legal responsibilities.

This way, the CC confirmed the provisional amparo writ granted in favor of Lobo shortly after more than 60 deputies disavowed him for allegedly leaving office. They elected Arturo Soto Aguirre as new Congress president, thereby worsening the political crisis in the legislature.

Committing Crimes and "A Hand Coup" Surface

The definitive amparo was granted considering that Lobo Dubon legitimately exercised his duties to adjourn the said plenary session. Thus, Lobos's withdrawal from the Congress building does not represent an abandonment of office.

By virtue of this, the CC continued, the alleged disavowal of the Congress president represents an arbitrary action, violates Article 12 of the Constitution, and limits the right to exercise the post for which he was legally elected; these were some of the laws violated by the group that tried to oust the Christian Democracy deputy, the definitive ruling cited.

When referring to the resolution issued in his favor, the president of Congress said the CC has confirmed there was a technical coup or "hand coup" by a group of deputies. He added these deputies, directed from the Presidential House, attempted to seize the Legislative Branch by way of usurping functions.

Given that the CC confirmed the violation of several laws by the de facto Board of Directors, led by Soto Aguirre, the president of Congress explained he will continue the legal actions initiated at the time they tried to oust him.

President Interviewed on Economic, Health, Other Issues

PA1610161693 Guatemala City Televisiete Television in Spanish 0400 GMT 13 Oct 93

[Interview and phone-in program with Guatemalan President Ramiro de Leon Carpio and program host Edgar Gudiel from the Maya Room at the Presidential Palace in Guatemala City—live]

[Excerpts] [Gudiel] Good evening television viewers, good evening friends of this newscast. It is a pleasure to serve you once again in a direct, exclusive, and live manner. On this occasion we are in the Maya Room of the Presidential Palace. We are with President Ramiro de Leon Carpio, who has agreed to this live interview so that you, our dear television viewers and friends throughout the country, can have a better understanding of the president's thoughts. We are going to specifically talk about the president's speech last night on economic matters. Nevertheless, if there is time we are going to talk about other matters with the president. We want to thank you for accepting this invitation. Welcome, Mr. President.

[De Leon] Thank you.

[Gudiel] How would you sum up the country's economic situation?

[De Leon] I believe it is a difficult situation. I would say it is a critical situation with structural problems. Here we have to point out that the 25 May events undoubtedly worsened the situation. Yesterday I told the Guatemalan

people about the situation in which I received the country. I assumed the presidency four months ago after events such as the one that took place on 25 May, which undoubtedly and practically left us with an empty treasury, with discouraged investors, a paralyzed tax collection, and a very difficult situation.

We should not only mention the problems of this kind in a circumstantial manner, however. We have inherited human rights problems and problems of individual rights violations from previous decades. I am referring especially to economic, social, and cultural problems. There is a lack of hospital care—a lack of health, I should say—a lack of housing, employment, education, electricity, drinking water, and so forth. In general, I would describe the situation as difficult and when I say they are truly circumstantial problems, I am saying they require circumstantial answers and solutions. Here is where I told the population, which is so knowledgeable, generous, and noble when they are directly addressed in this manner and when these problems, which have been inherited from the past, are explained.

The hospital problem, for example, is so much in vogue because of today's decision to intervene as requested by the people. Just in this area, we found a debt of 130 million quetzals. Just in this area. We found there were debts with all suppliers. I repeat, it is a situation of economic, political, and social crisis. Fortunately, the political part of the problem somehow has to be resolved in the short run. As for the economic part of the problem, the people are generous and noble and understand that a president cannot work miracles. They are not asking me for miracles. That is why economic solutions have to be very clear, with specific goals and with a well-defined path as I said yesterday, through a document that must naturally be studied by the members of the economic cabinet and explained in detail but that has specific and well-defined goals. A government needs that precisely to promote productivity and both national and international investment and to provide the economic tranquility a nation needs in a difficult situation such as this. At least at this time there is a well-defined government program with clear goals that will be attained. Naturally, in order to achieve it we need to take a series of measures, which I have already mentioned.

[Gudiel] Mr. President, it is usually said, and you recently used the same expression, that Guatemalans are noble, good-hearted by nature, and determined. However, there are moments when we feel a growing sense of frustration when we see no positive actions that might benefit us. Normally, those who adopt leadership positions tend to resort to the worn-out justification of saying that the problems were inherited. In this respect, it would seem that we are constantly trying to solve problems of the past and never progressing. It would seem as if our situation never changes. According to what I just mentioned, and based on what you indicated in your first reply, what are the main policies and objectives that your administration is preparing to follow?

[De Leon] Before answering your question I would like to expand some on my first answer as a result of what you just said. Most certainly we must be realistic. It is simply not a matter of saying that we are resorting to political fallacies when we say that we inherited certain situations from the past. Nevertheless it is a reality. I took over the presidency of the Republic at a time when 48 hours before I did not even know I would be appointed president. Once I took over, the first thing I did was to prepare a 180-day plan covering six months of the current year. The plan is being followed and at the end of the year we will know if it was completed. We have already covered half of the program. Likewise, I also began to prepare, together with the economic cabinet, a government program for the 1994-95 period.

What we cannot overlook is what we inherited from past administrations. This is because there are some issues that were never addressed by former administrations, and I would be deceiving the population if I presented a plan that would solve every situation. The Guatemalan people understand this quite well. I say this based on my findings during the presidential tour I just concluded, where I visited the 60 poorest municipalities in the country. These communities, besides being the poorest, are also the most distant and neglected. As far as I am concerned, these communities have set an example, indicating that the Guatemalan people are not only good natured and steadfast. They are also aware that a president who will be in office barely two and a half years cannot be expected to perform miracles. But I can set the foundation as well as take clear and concrete steps that will prompt economic and political recovery.

Now to answer your question. More than mere objectives, I would say that the government program includes more commitments than anything else. Government commitments that also include the population. First of all, there is the issue of population support, the consolidation of democracy as well as the state of law. There is no doubt of what the government is doing at this moment by decentralizing. A silent revolution is taking place. This revolution includes a population which, although I have said it is good natured and steadfast, at this precise historical-political moment has made evident that it has a voice and determination. The population is demonstrating its voice through participation. This represents the consolidation of democracy and a state of law which, although it is a reality, has so far not been effective enough.

The second government commitment includes the fight against poverty in an effective manner through measures that include transferring resources to all neglected communities that require attention. I am also referring to needed services such as health, education, and agriculture.

Finally, the other two commitments include state reorganization and institutional modernization. In both cases what is required is a state reorganization in such a way so as to ensure the vigorous participation of the

population, and ensure that decisions are made from bottom to top and not the other way around, as is currently being done. It is a silent revolution, a peaceful revolution where the state will be prompted to efficiency as a result of effective participation by the population. A revolution that will cut down on the size of the state and at the same time make it more efficient.

In order to accomplish this there are several measures in the government program that are directed specifically at what I described as commitments instead of objectives. However, these are commitments that also include the entire population.

[Gudiel] The objectives you have mentioned would seem to be extremely ambitious. Nevertheless, we Guatemalans have become skeptical about certain statements we tend to hear. In this respect we believe these goals are quite ambitious. Mr. President, how do you believe you administration will accomplish these goals?

[De Leon] Well, we will accomplish these goals based on two principles which yesterday I tried to explain as clearly as possible. One is based on the state's ability to subsidize [subsidiaridad] and the other is economic solidarity.

Before referring to these two conditions, I would like to refer to what you just said with respect to skepticism, apathy, and pessimism. Indeed, the problem in Guatemala is that the population had lost faith in the state institutions. They have lost confidence. At this moment it is the government's obligation, especially mine, because I arrived in the presidency with tremendous expectation. I arrived after an impressive performance as human rights prosecutor, and I say this without any false modesty. There are many people who believed that immediately after my arrival all problems would be solved, as if by magic. Unfortunately, I do not have a magic wand. The population must once more recover some degree of faith.

During the presidential tour that I just concluded, the most impressive thing was to see how the population participated along with the president. At any given moment they would call my attention to community needs such as electricity, potable water, access roads, highways, hospitals, and so on. They would add that they were aware I could not solve all their problems at this time, but would be satisfied with at least one solution. For example, they would be content with either electricity, potable water—or instead of a school that was already planned they would prefer five teachers. In other words, we want to ensure the participation of a population that is starting to observe that resources are arriving. This is having a double effect. Not only are the small and medium sized projects included in the 180-day program being carried out, but, once again, the people are starting to believe in something.

It is a small light at the end of the tunnel, a tunnel where Guatemalans have lived all this time. In other words, I agree that there is a lack of credibility and trust. But it is this government's obligation to renew, with deeds not words, this credibility and trust.

During the presidential tour that I started after finding the national treasury practically empty, I went to the interior with 162 million quetzals; 92 million of these represent the 8 percent the Constitution establishes and 50 million that will be provided through FIS, the Social Investment Fund. The FIS is the financial branch with which we will effectively fight poverty in the neediest sectors. We will channel these funds through urban and rural development councils. We will also choose the best qualified people to do this. We will send 20 million quetzals to them for the time being.

In sum, we will renew their trust. This is why I said that if a project is started.... [pauses] Today, for example, I inaugurated two projects and will inaugurate three tomorrow. These are small and medium sized projects. However, this not only creates credibility but renews trust.

Returning to the topic of state subsidies and economic solidarity, I must stress that these are the two basic principles of my government plan for 1994 and 1995.

In the first place, the state's ability to subsidize [subsidiaridad] means that the state will regulate but will not interfere in the activities of the country's productive sector. All those state-run enterprises that are not being managed efficiently must be made efficient. However, in doing so, the government should not try to interfere in a productive activity that is inherent to the country's productive—as redundant as it may seem—sector. On the contrary, the government should make it easier for small, medium, and large investors to produce. Only by producing can we create more jobs, fight poverty, and increase the Guatemalans' standard of living. This is a proven fact.

In addition, there is economic solidarity in the sense that economic growth is necessary and we must strengthen this economic growth. We must take the edge off this economic growth. Better yet, we must strengthen and take the sting out of the nation's economic growth. However, this means that this must be done with solidarity and social equality. What does it mean? Yesterday, I explained it with the fable of the sheep and the grass: The grass grows while the sheep are dying of hunger. In this case, the grass must grow but all sheep should have access to it. In simple terms, this means that a nation's economic growth must include and benefit everyone, even if unequally, because it is not possible. A small sector should not be the only one to benefit from this growth.

Consequently, based on the two basic principles—the state's ability to subsidize [subsidiaridad del estado] and economic solidarity—it is possible to reach the goals that this government set out.

[Gudiel] Mr. President, you mentioned electricity. There are rumors that there will be hikes in electricity rates. Is this true?

[De Leon Carpio] One must start by saying that this is a very complex issue. The electricity subsector must be thoroughly analyzed, there should be no demagogy in this. Some do treat it in a demagogic way to appear on the front page of the newspapers or on television. These people usually say things they know nothing about. In this case, the government decided, some time ago, to appoint a commission on this. This commission is thoroughly analyzing the real costs of electricity.

We might learn that these costs have been exaggerated or that they have been over-estimated. We might learn that these are not the real costs. We must have exact information on the real cost of electricity. We are analyzing the situation based on that and taking into account that part of the government's economic program is the state's ability to subsidize, not through an overall subsidy, but through one that is directly aimed at benefiting the neediest sector and the consumers, not the producers. We will take measures of substance. We will not take measures for this government only. We will take them to prevent problems for future governments. These will be measures to avoid problems in the future. Thus, we can say that we are analyzing the situation. I have denied that the government decided to increase electricity rates and I reiterate this denial.

[Gudiel] Mr. President, if anything affects a country's production, productivity, it is the high cost of fuels. We know that as soon as 10 cents are raised on gasoline, diesel, or any other type of fuel, prices skyrocket and it is the consumers, the people, who suffer. There is always fear that there could be an increase in fuel prices. Will this happen?

[De Leon] No, not for the time being, and....

[Gudiel, interrupting] For the time being could mean today.

[De Leon] Yes, of course, because there is no way that I can say that the next government will not raise prices.

[Gudiel] Okay, not today, but not tomorrow, either?

[De Leon] No, no. Regrettably there is much speculation, many rumors in this country, and this causes much harm, but the fuel prices will not be raised now. We have reached an agreement wherein the state will continue somehow to subsidize the eight cents it is currently subsidizing, thus there is no increase in fuel prices.

[Gudiel] Investments are a very important factor to attain economic growth in a country and we are discussing economics. We are trying to analyze your message last night. Something that halts investments is high bank interest rates. Today, we are at 30 percent and sometimes we are above that. Does your government have any sort of strategy to try and lower those interest rates as an incentive for investors? This is what is needed.

[De Leon] Indeed. Last night I mentioned that among the measures to be taken is to reduce interest rates, precisely because this would be an incentive to investors. Logically, and to make a simple explanation, today it is easier to speculate in dollars or invest in real estate than to open a new business with all the risks that entails. Not only because of the lack of political, legal, or economic security at a given moment, but on top of this it is easier to make a profit with high interest rates. A series of strategies do exist to attain a reduction in interest rates, precisely to encourage investors. There are several; I do not want to go into detail precisely because some of them are strategic and are part of various tactics that make up the strategy. I could mention a few, though. One of these is a control on speculation. This is something that has to be controlled; speculation can be controlled so as to force interest rates down with certain measures that need to be taken, and I will mention one of them. Recently there was a foreign currency exchange market opening. People were purchasing dollars at 50 quetzales while the official rate was 11. But by only removing the currency restrictions, after eight or 10 days the rates evened out. Today, the official exchange rate is 11, the same as the free market price. In other words, we lowered it from 50 to 11. This is one measure that was taken, just as there are others, which can serve to control speculation and create conditions that lower interest rates. I only mentioned one; there are other tactics that converge into a single strategy, but have as a goal interest rate reduction to encourage investors.

[Gudiel] Last night, in your message to the Guatemalan people, you said that currently each Guatemalan pays eight cents in taxes on each quetzal of national production and that efforts should be made for each Guatemalan to pay an additional two cents, in other words, 10 cents—10 (leng). This could cause confusion among the people....

[De Leon, interrupting] I want to clarify that this is not the case, it is not that each person is now paying eight (leng) and will pay 10 (leng). If you will allow me, I will explain.

[Gudiel] Yes, please go ahead. I would like a clarification.

[De Leon] The case is that a study has shown that the percentage of tax collection gives us a rate of 8 percent. This means that for each quetzal we produce we pay eight cents in taxes—those of us who pay taxes. The idea is that instead of paying eight cents we should try and raise it to 10, but as a percentage. In other words, we should try to raise the percentage, but not with new taxes. Of the eight percent tax paid, we should make an effort so that those who do not pay or those who are not paying the proper tax, manage to increase it or begin to comply with the law, thus raising the percentage of tax

paid from 8 to 10. This does not mean that he who pays eight now will pay 10, or he who pays five will pay six. No, it is simply making tax collection more effective and having contributors pay. We will achieve this—and you may be sure that we will—by fighting tax evasion with measures already established by the acting prosecutor to go after those who are breaking the law. I jumped the gun to clarify this point that might have been the reason for this discussion. This is what programs like these are for—to clarify to the people that it not a question of paying 10 with new taxes, no.

The simple fact is that we are going to accomplish this. We are going to do it through a series of mechanisms. We all know how much tax we must pay. It is not fair for some of us to pay our taxes while others do not pay what they ought to or make no contribution at all.

Of course, I said yesterday that there are times when the people have had doubts about paying taxes because they knew that government officials were lining their own pockets with taxpayers' money instead of investing in social projects and in the most needy areas. The people are now regaining their confidence because the government is proving its honesty and austerity; they know their money will be invested as in other countries. I have already proven this. The confidential [expenses] issue is one example of this. The first step I took was to eliminate the confidential expenses, which were the main cause, the very core of corruption in Guatemala. In other words, we are fighting corruption. The Executive Branch, the president of the Republic, and the government are proving their austerity and honesty, and they are fighting corruption.

I believe this gives taxpayers security; it guarantees that their money, the taxes they pay—which they should pay properly and legally—will be invested in projects that will not only generate individual benefits but will benefit the Guatemalan nation. Therefore, I am grateful for the question because it has allowed me to dispel any confusion that may have emerged. I repeat, what I said was that if at present we are contributing 8 percent or, in other words, eight centavos for every quetzal we produce, I am setting a goal of 10 percent. I will not do this by creating new taxes but by collecting taxes efficiently, and especially by fighting tax evasion. I will do this through mechanisms, through a draft bill I will be sending to Congress, and through such steps as having the assistant attorney general ensure that tax evasion will be controlled.

I am certain that apart from any controls, surveillance, and efforts to combat tax evasion, the Guatemalan people will heed this call. The taxpayers will heed this call. Otherwise, the law will be applied.

[Gudiel] What is also happening, Mr. President, is that—you will not allow me to lie—before you became president, as a simple citizen, even before you were human rights ombudsman, it was and still is quite painful to go to the Finance Ministry. Tax evasion very often exists not because the taxpayers want to evade taxes but because they go to the Ministry and there is no one there to help them or they are mistreated.

[De Leon] There is some of both. There are people who deliberately evade taxes and they manage to do it, and there are those who want to pay their taxes but face hindrances that prevent them from doing so. My pledge is to eliminate those problems and hindrances, but the taxpayers must obey the law. Otherwise, they will be breaking the law. I will not tolerate this because the fight against poverty, social investment, the transfer of resources to the most needy and remote areas, health, education, farming, and so on depend on the payment of taxes. In other words, the country's economic, social, and educational development depends on the payment of taxes, and it is the government's duty to improve the tax collection system through the mechanisms I have mentioned. [passage omitted]

[Gudiel] We have another call. Go ahead; please state your name, be brief, and ask one question. Good evening.

[Ochoa] Good evening, Don Edgar. This is Mario Ochoa. Good evening, Mr. President. I only want to know why there has been a considerable decline in the intensity with which you initiated the struggle against corruption and also why the purge system you started out with no longer exists. I liked that system and I hope your initial energy will not wane. I congratulate you because you have truly proven to us that a good future lies ahead for Guatemala. Good evening.

[Gudiel] Good evening, Mr. Ochoa. Thanks for your call. Mr. President?

[De Leon] I would say the intensity with which I initiated my work as president remains at the same level. Moreover, in some cases I believe I have been stronger and more intense depending, of course, on the president's political strategies. In the case you have mentioned—the purge—my position is firm. The path I have chosen is not the easiest. It is the most difficult, the roughest path, but it is the correct one. It is a path that has no return and I will follow through on it, especially in the case of the referendum, which will yield the results the people want, which the people have demanded of me. If, therefore, you have been under the impression that the president of the Republic's intensity concerning the purge has waned, you are mistaken.

What has happened—and I will say this as clearly as I always do—is that Congress, the congressmen, have not been capable of conducting a self-purge or self-reorganization. I am referring to the reorganization of that legislative body. However, they are going to do it. They must do it because the people are demanding it. I have been forced to take the steps I have taken and—listen to me closely—I have done so within the constitutional framework, within the democratic system, in contrast to the steps taken by other countries for the purpose of purging congress. Therefore, my intensity has

remained the same. Nevertheless, I accept your criticism and I will try to pursue this effort with greater intensity and strength. Believe me, I am not lacking in strength or the intention to continue the struggle.

Concerning the fight against corruption, you can rest assured that we are preparing ourselves precisely to achieve what the people have been asking for: the eradication of corruption, which has caused great harm to Guatemala's fragile democracy. You can rest assured that I do not intend to be influenced. One of Guatemala's greatest problems has been corruption and I will continue the struggle. If, perhaps out of weariness or any other reason, I have given the impression of lessening my intensity, I thank you for pointing it out. You can rest assured that I will not disappoint you or the Guatemalan people, who are demanding that I conduct a purge and implement mechanisms to combat corruption and that I conduct myself with the honesty I have displayed until now.

[Gudiel] We have another telephone call. Thank you. Good evening. Go ahead with the question, please.

[Bennett] Good evening. My name is Olga Bennett. Good evening, Mr. President.

[De Leon] Good evening.

[Bennett] Greetings. I want you to know you have all my support and we love you very much.

[De Leon] Thank you.

[Bennett] I want to ask you something: Instead of the issues you proposed to the Supreme Electoral Council, meaning to eliminate Congress and the Supreme Court of Justice, why do you not use the opportunity to convoke a National Constituent Assembly to reform constitutional articles that have proved inoperative? Thank you.

[Gudiel] Thank you, Miss Bennett, for your interesting question. Mr. President?

[De Leon] My reply is as follows: The referendum right now is aimed at one single issue, one single demand, one single request from the Guatemalan people. Following the 25 May events, the people requested a purge of the three state branches. It has occurred in the Executive Branch because there is a new president, a new vice president, a new cabinet, and—although we have yet to carry out a complete purge and reorganization of the Executive Branch—the main portion has been completed. Nevertheless, the people continued to demand and request that the purge include the two other state branches—the Congress of the Republic and the Supreme Court of Justice. Given the inability.... [pauses] since a deadline was given by the people, through the president, to the two branches; and given their inability, or irresponsibility, to do it within the allotted time, I had no choice but to take the next constitutional step, meaning a referendum.

Now then, you ask me why I do not use the opportunity to convoke a National Constituent Assembly. First of all, this would not be necessary. You can convoke a constituent assembly, but this would be done to reform the articles dealing with the dogmatic part of the Constitution, meaning rights as individuals and as a group, or social rights, as our magna carta calls them. I believe this is not the part we must reform right now. The part we must reform is the structural portion, the organizational portion. In other words, the organizational part of the state rather than the dogmatic part. This includes the regulations for the participation, organization, and functions of the three state branches. A National Constituent Assembly is not necessary for this. This can be reformed by the Congress of the Republic and ratified through a referendum. That is perhaps your mistake.

However, I thank you for the question and the suggestion because this proves something very important. The Guatemalan people want to see the state reorganized; they want to see things changed because they are not working properly; and they want the achievement, through the mechanism you mentioned—meaning the National Constituent Assembly.... [pauses] the mechanism is not what counts; the important thing is the Guatemalan people want to change the current situation. They want the state to have credibility; they want to trust the institutions, because they no longer trust them; they want to see something else, not what they have seen so far.

What the people want is the construction, or reconstruction, of Guatemala. They want the achievement of peace. They want to leave Guatemala, or the Guatemalan people, a better homeland—not the one we inherited. This pleases me tremendously because I see there is enthusiasm, encouragement, support, positive attitudes—in other words, the desire to participate, as this young lady has done. I hope you will participate not only through this telephone call but also with your attitude, your participation in the opportunities you have within your area of action. [passage omitted]

[Gudiel] We have another telephone call. Good evening, thank you for calling. Please give your name and ask your question.

[Flores] Julio Flores. Here is my question: If the popular consultation has no legal basis for purging the state branches, what is the purpose of holding the referendum?

[Gudiel] Mr. Flores, we thank you for your kind call.

[De Leon] I would like to take advantage of Mr. Flores' question to provide a double answer. In the first place, why are we asking this kind of question? The question was formulated this way because although the president and people of Guatemala would have liked to ask a more direct question to achieve not only the resignation of deputies but of alternates as well, it was the only way to keep legal actions from being accepted. In fact, that is what is happening now, because seven legal motions filed

against the popular consultation were declared invalid by the Supreme Electoral Tribunal.

We asked the question this way because it was not out of line with the democratic system. In other words, these two questions fall under the Constitution and the democratic system. No one in Guatemala or abroad can accuse the president of the Republic of being antidemocratic or pursuing undemocratic goals. That is why we formulated the question as follows: Say yes to the president of the Republic; support him in asking for the deputies' resignation. Vote yes in support of the president of the Republic in requesting the resignations of the Supreme Court justices.

Now, the binding nature or obligation that those affected by the consultation will have is legal. The legality has been questioned from the doctrinaire viewpoint, and a lot has been said about it. However, let us just think—I say this as a former Constituent Assembly member, former president of the Constituent Assembly, and former chairman of the commission that drafted the Constitution bill—that the philosophy, intent, and spirit of this law, Article 173, was precisely to obey the people's mandate. It was to obey the most important thing in a country—namely, its sovereignty. The sovereignty of the people is expressed through ballots. In that respect, what will happen on 28 November is a direct manifestation of democracy.

If, as the polls indicate, the people support the president in asking for the resignations of deputies and Supreme Court justices, the individuals involved will have to comply because it is binding. In any case, if there is any doubt, the competent bodies [organos jurisdiccionales] will have the last word. But here and anywhere in the world, this type of consultation is binding. We must not forget—or better said, I remind you—that this legal standard was copied almost literally from a standard in the political constitution of Spain, and it is binding there. Everywhere the popular consultation is used, it is not simply to know whether the people agree with something. In this case, we already know what the people want. The people want the deputies to resign, Congress and the state branches to be reorganized, and the Supreme Court justices to resign. We already know that. The polls tell us so.

The fact is that Guatemalans will make those resignations legal through a popular consultation and with their ballots. It will make the resignations binding. You will see this on 28 November, when the popular consultation yields the expected results and when deputies, if they have not resigned by then, are forced to resign. The results of a popular consultation are binding.

[Gudiel] We continue broadcasting live from the presidential building through Notisiete. Good evening. Your question, please.

[Casas] Good evening. My name is Sergio Casas Dubet. Good evening, Edgar and Mr. President. I will speak on my own behalf because I am not authorized to speak on behalf of the people. It is true that when the president took office, he found the country in crisis and bankrupt, as he has just said. The first 160 million [currency not specified] were distributed with the constitutional 8 percent obligation. He was handed the economic crisis of the Jorge Serrano administration. The confidential expenses fund was eliminated because it was a means by which money from national enterprises could be swindled. With my little knowledge, I understand that for the former government to have profited from, stolen, or misappropriated funds, something out of the ordinary was necessary. The finance minister is responsible for the transfer of money anywhere in the country. Mr. President, I think Finance Minister Richard Aitkenhead should be tried. In this, you will get the support of the people, even the hungry ones. Good night and thanks.

[Gudiel] Thanks to our friend Casas for his telephone call.

[De Leon] I thank Casas for his opinion, which I respect but do not share. I speak with the same frankness and clarity with which I respond and act. In this case, the finance minister is the only official of the previous administration still in this government. The reason for that is very simple: his great ability, both domestically and internationally, particularly the latter. He is rated as one of the best finance ministers in Latin America. Because of his great ability, experience, and knowledge, he virtually manages the Central American economic cabinet. His ability is broadly acknowledged. So far we have not found him to be responsible for any of the misdeeds you mention. If we had found that to be the case, we would already have acted as we have acted and will continue to act in other cases. It seems too easy to blame someone and ask the president to change the administration. There have been many occasions when I have found that a specific official should be removed. I am thinking of a hospital director in a department. The entire population asked me not to remove him. He had been a close associate of President Serrano's.

In other words, changes in the administration must be fair. The fact that a person worked for a previous administration does not necessarily mean that he must go. No. Some of the officials of the previous administration, and even some in President Cerezo's government, have been and are good officials. That is why the changes and reorganization of the executive branch have been slow. May I reiterate that the finance minister has been confirmed because of his ability, experience, and international relationships. It is important for this government to have a finance minister with internationally acknowledged ability. Maybe this will have a political price, as Mr. Casas pointed out. I accept it. But these are the kinds of decisions a president must make, taking the political cost into consideration. May I say that I have the great advantage of not fearing political costs. Of course, there must be political ability, the ability to handle political matters. It is not enough to be honest and democratic. The person must be able to govern the country. That requires political management ability, too.

This president has the advantage in that he is not afraid of political costs, unlike someone who belongs to a party or who expects to run in the next elections. I will not run in the elections, and I do not belong to any party, so I am not concerned about political costs. I am not afraid. I am acting according to my conscience, reason, analysis, and my own strategy for a single purpose: the good of Guatemala. When I make a decision that I feel is good for Guatemala, I do not care about political prices. [passage omitted]

De Leon Orders Letter From Convicts Sent to Court

PA1710213293 Guatemala City PRENSA LIBRE in Spanish 12 Oct 93 p 3

[Text] President Ramiro De Leon Carpio yesterday ordered that the letter sent to him from the five convicts—who are former Army experts—be sent to court. In this letter, the former soldiers expressed their willingness to reveal the details of the murders of Myrna Mack and Michael Devine, as well as other actions.

With this decision, the president said, I do not intend to cover up anyone, because the current government is respectful of the law and will forward the letter to the justice courts through the Attorney General's Office (MP). This will be done, he added, to find those responsible for the reports made by the convicts.

He said that Noel de Jesus Beteta, Jorge Lemus, Francisco Solbal Santay, Tiburcio Hernandez, and Oliverio Orellana must ratify their denunciation before the appropriate courts, because, according to the law, this is the specific path of the juridical administration.

Willingness To Accept Inspections of Military Installations

The Army, through Alvaro Fabriel Rivas, chief of the Information and Press Department of the Army (DIDE), said that it is willing to allow searches in military installations to verify the reports of the inmates.

Rivas also said that the Army denied that Captain Sosa Diaz is a military member, so it cannot determine if that person offered $50,000 to those who made the report to keep silent.

In addition, he added, the former soldiers are visited when they are paid or are in a hospital, and perhaps this happened during the weekend.

Presently, we rule out an ex officio investigation by the Army, because this is a responsibility of the MP. We are ready to respect the juridical framework, and we are not afraid of the possibility that there may be soldiers involved, Rivas said when responding to each question.

Archbishopric's Office Could Start an Investigation

Monsignor Prospero Penados del Barrio has said the Human Rights Office of the Archbishopric's Office could start an investigation of the reports made by the five inmates, because they have qualified personnel, personnel recognized both nationally and internationally, in this field to conduct such an investigation.

He also recommended that those who have information use juridical avenues to determine who masterminded the murders of Myrna Mack and Michael Devine, as well as other acts of violence.

Honduras

New Counternarcotics Police Force Begins Operations

PA1510224993 Paris AFP in Spanish 2117 GMT 13 Oct 93

[Text] Tegucigalpa, 13 Oct (AFP)—Official sources have reported that a new counternarcotics police force under the Armed Forces began operating in Honduras on Wednesday. Political sectors have asked that those tasks be removed from military control.

The Public Security Forces (FUSEP), one of the four branches of the Armed Forces, created the National Counternarcotics Directorate while making changes to the Department of National Investigation (DIN, secret police), which various media have accused of violating human rights. In response to pressure exerted by a broad range of social sectors, the DIN will become the Department of Criminal Investigation, which in January will operate under civilian control as part of the Attorney General's Office.

Government and opposition deputies do not believe it is in the country's best interest for the Armed Forces to have sole control over efforts against drug trafficking, because on certain occasions the prestige of some of its members has been affected when the members themselves became involved in drug trafficking.

The deputies have said that military personnel try to keep drug-trafficking affairs under their control so they can continue to receive technical and financial support from the DEA, which the Armed Forces has denied.

Nicaragua

'El Chacal' Rejects Proposal for Talks, Moves Into Mountains

PA1510193193 Managua BARRICADA in Spanish 15 Oct 93 pp 1, 12

[Text] CIAV [International Commission of Support and Verification] operations chief Roberto Menendez has announced that CIAV-OAS personnel and members of Cardinal Miguel Obando y Bravo's Verification Commission began their withdrawal yesterday from the Quilali area after Jose Angel Talavera, a.k.a. El Chacal, rejected the negotiations proposed by the Northern Mediating Commission.

"We are deeply concerned. We are hereby concluding our work," Menendez said.

Talavera rejected the proposal, and he demanded that the Army withdraw its departmental bases and that it establish another security area. At midnight last night, Talavera withdrew from the El Zungano area and headed into the mountains.

The commission proposed a new meeting—which, it said, should be held on 17 October at the latest—between the government and 3-80 Northern Front in an attempt to resolve the conflict through peaceful means.

It was unofficially announced that, in contrast, the government had accepted Chacal's proposal.

Meanwhile, the Government Ministry yesterday reported two clashes on 13 October between Sandinist Peoples Army [EPS] forces and the 3-80 Northern Front in northern Nicaragua. In Las Estrellas, Quilali, an unidentified group of armed men ambushed an EPS reconnaissance patrol. Two soldiers, Denis Anibal Arguello and Marcos Vallecillo, were wounded in the ambush. In La Montanita, El Jicaro Municipality, a group of 25 3-80 Northern Front fighters led by Gavilan clashed for 30 minutes with an Army patrol, but no casualties were reported.

In La Danta, Murra, a group of rebels led by armed leaders Jose Martinez Gonzalez, Bigote de Pinol, Piloto, Segovia, and Gorrion kidnapped Mario Soriano, a resident of San Gregorio settlement. Soriano was subsequently released.

In northern Nicaragua, the mobilization of Army troops is continuing. Nevertheless, CIAV-OAS employee Roberto Arocena said that up until midday yesterday there were no reports of EPS attacks on the rearmed groups.

One day before his departure from El Zungano, El Chacal said during an interview with BARRICADA that his troops had already been sent away to prevent them from being the easy targets of a military action.

[Managua Canal Cuatro Television in Spanish at 0300 GMT on 15 October broadcasts a 1.5-minute report on a "war bulletin" issued by the 3-80 Northern Front Commander, "Frente Norte Comandante 3-80", which reports that so far there have been 13 skirmishes in which 27 EPS members have been killed, six wounded, and six reported missing in battle, for a total of 39 EPS casualties. The 3-80 Northern Front also reports one 3-80 commando has been killed and three others wounded. The bulletin ends by confirming that the 3-80 Northern Front has decided "to continue the struggle and not attend the mobilization dialogue promoted by the co-government."]

EPS Retakes Caulatu, El Zungano

PA1610194193 Managua BARRICADA in Spanish 16 Oct 93 pp 1, 10

[Report by Marta M. Gonzalez and Jilma Rodriguez]

[Text] Ocotal and Esteli—Lieutenant Colonel Pedro Agurcia of the Sandinist People's Army [EPS] 1st Command reported yesterday that after the talks with Jose Angel Talavera, alias El Chacal, concluded, EPS troops retook El Zungano and Caulatu. "We are going to patrol the area, because no place is off limits now," Agurcia said.

The 1st Command troops and others that arrived in the region were deployed to Nueva Segovia to restore order. "This is no military offensive against the 3-80 Northern Front rebels. We retook Caulatu and El Zungano because they ceased to be rallying sites," Agurcia said.

A military convoy headed toward northern Esteli yesterday morning while helicopters flew over the area. Agurcia reported no clashes, although he did mention "small armed actions" on the outskirts of El Zungano. Agurcia did not rule out the possibility that the EPS would continue trying to disarm the rebels." He added that "the presence of the EPS should not be regarded as the beginning of war, but as an extension of the pacification process."

The recontras of the Northern Front 3-80 split into groups of 10 and 15 men to conduct simultaneous actions at various points in Nueva Segovia. Their plans include ambushing and destroying military and civilian vehicles and harassing towns and military garrisons. As a result of these actions, two EPS soldiers were wounded in an ambush by a rebel group near La Estrella hill, Quilali jurisdiction, Nueva Segovia, on 14 October. The wounded men, Denis Anibal Munoz Arguello and Marcos Medina Vallecillo, were taken to a hospital in Esteli. According to 1st Lieutenant Edy Peralta, head of the Police Information Department, security was increased after El Chacal threatened to destroy vehicles and gasoline stations.

Finally, residents of El Varillal, San Juan de Rio Coco, found the body of an unidentified man half eaten by vultures. He is believed to have died during an attack by El Chacal's men against La Jumuyca two days ago.

Chamorro Urges Recontras To Lay Down Arms, Avert War

PA1510235493 Paris AFP in Spanish 2020 GMT 15 Oct 93

[Text] Managua, 15 Oct (AFP)—Nicaraguan President Violeta Chamorro today urged the rearmed contras (recontras) to lay down their arms to avert another war in the country. She said that the presence of the Army in northern Nicaragua seeks to protect the area's residents.

The president, who is also the supreme chief of the Armed Forces [title as received], said that she hopes the recontras, headed by Jose Angel Talavera, alias "El Chacal," will abandon their war-like actions "to ensure we will not have bloodshed or war" and to resume talks with the government to reach an agreement on their demobilization.

El Chacal last night rejected a peace proposal presented by the Northern Commission, which is made up of the Catholic Church and the International Commission of Support and Verification of the OAS (CIAV-OAS).

The rebels, who are estimated at about 500 men by the government, headed for the mountains of northern Nicaragua today while the Army awaited an order from Chamorro to launch a military operation against them.

After the recontras rejected the peace plan, the Northern Commission left Quilali yesterday. Quilali is 300 km north of the capital and is the closest town to El Zungano, which was the security zone of the rearmed for several months and respected as such by the Army.

Could Resort to Military Force

PA1610135293 Managua EL NUEVO DIARIO in Spanish 15 Oct 93 pp 1,8

[Report by Aura Lila Moreno]

[Text] President Violeta Chamorro warned that if El Chacal does not surrender his weapons and demobilize, the government will have no other choice but to resort to military force. As of yesterday, President Chamorro had not yet indicated whether she would agree to the Northern Mediation Commission's proposal to organize a new meeting for next Sunday.

For some time now "I have said that the irregular groups must surrender their weapons to prevent any further tragedies, or I will have to resort to using the Army," the president stated. She expressed her hope that in the next few hours the 3-80 Northern Front will agree to the surrender process and rejoin civilian life.

The president has even said that she hopes the recontra leader's relatives will stop collecting funds in the United States to continue the war against our country. The president was referring to the propaganda campaign carried out by El Chacal's brother Esteban in Miami.

She Will Enforce the Laws Against the Recontras

"We hope El Chacal will stop appealing to his relatives in the United States," thus stirring up the conflict even more, the president said after making it very clear that if the group led by this recontra leader does not lay down its weapons, "the country's laws" will have to be enforced. Meanwhile, she promised to review the proposal presented by the Northern Negotiating Commission to move back the deadline for the negotiations.

Mrs. Violeta celebrated the 30th anniversary of the World Food Program (PMA) by handing out diplomas and gifts to the winners of a children's contest promoted by the international organization itself, as well as by the Social Security and Welfare Institute.

After participating in that event and being questioned by reporters, the president said the National Opposition Union [UNO] Political Council no longer wants to hold a dialogue with the government. She added: "I am always open to dialogue with everyone."

Pressure From Businessmen

UNO "no longer wants to talk to us, but with the Sandinist National Liberation Front [FSLN]. Blessed be God! We hope they can reach agreements; perhaps they will fare better than they did with us," said Dona Violeta, who added that "it is up to UNO to decide if they want to talk to the FSLN. They are free to do so."

She also said there is "freedom" regarding the measure that Reynaldo Hernandez, president of the Nicaraguan Institute of Development, plans to take, which is to allow businessmen to withdraw advertising from media with which they do not share political positions. "There is freedom here, you (the reporters) reach friendly agreements with those who are exerting pressure on you," she said.

At the official PMA ceremony in the auditorium of the Presidential Palace, the president pointed out that with this UN organization her government is carrying out three huge projects: the promotion of dairy farming, the socioeconomic rehabilitation of people adversely affected by the war, and preschool care for children.

PMA Projects

Talking to the mothers and children who won the children's contests, Dona Violeta noted that when the children's program was implemented eight months ago, they had planned to take care of 40,000 children, but "there are currently 64,262 children in 852 centers in all departments" of the country.

"We hope the PMA is given sufficient funding in 1994 to cover all municipalities in the country and provide food for 100,000 children," the president said. The three projects involve a total of $40 million for a five-year period.

Of that $40 million, 30 percent has been allocated to improve the country's production capability with special consideration for small farmers, and 70 percent has been allocated for social programs to assist the neediest groups. A total of 8,000 children participated in the children's contest. The winners were granted a one-year scholarship, for which they will be given 200 cordobas per month.

President Creates Directorate of Intelligence Affairs

PA1610201593 Managua BARRICADA in Spanish 16 Oct 93 pp 1, 10

[Article by Noel Irias]

[Text] According to an official communique, President Violeta Barrios yesterday created the Directorate of Intelligence Affairs [DAI] and appointed Sergio Narvaez Sampson as its director. Colonel Lenin Cerna was promoted to inspector general of the Sandinist People's Army, the third most important post in the institution's General Command.

Cerna was replaced in the post of chief of the Information Directorate for Defense [DID] by Hugo Tores. The DID will be subordinate to DAI.

Narvaez Sampson's appointment surprises political and military circles, because he has no experience in intelligence work. According to an official source, Narvaez was appointed to the post because "he does not have a political background, no one is questioning him, and he does not belong to any political party. President Chamorro has known him since he was a child, and he is a friend of Antonio Lacayo. In sum, he enjoys political and administrative trust."

The new intelligence chief is 45 years old, an agricultural engineer, has four children, and is married to Carmen Cecilia Callejas, daughter of Alfonso Callejas, who was vice president in the days of Anastasio Somoza Debayle. He attended Texas A&M University in the United States. He was an executive of the Standard Fruit Company in Honduras and Costa Rica and manager of CISA-AGRO [not further identified]. He had been working at the National Corporations of the Public Sector [CORNAP] since 1992, where he was in charge of the privatization of Nicarroz, Agroexco, and the Nicaraguan Beef Corporation. He is a member of the board of directors of the Nicaraguan Institute of Agricultural and Livestock Technology, a source close to CORNAP has reported.

Narvaez is known as a shy, soft-spoken man. His friends have nicknamed him Murmullo [whispers]. He is addicted to coffee, one of his former colleagues has reported.

According to Decree 44-93 signed by the president, DAI will be a department of the presidency and its objective will be "to obtain, analyze, and evaluate information."

The decree gives DAI a broad range of interests: defense of constitutional order, national security, drug trafficking, contraband, the struggle against subversion and terrorism, trafficking in weapons and people, and the manipulation of forged documents.

On orders from the president, Narvaez will not make public statements on his work, the communique states.

The DAI director will have three deputy directors, who will be appointed by the Government Ministry, the National Police, and the Sandinist People's Army, respectively.

Colonel Hugo Torres is the EPS delegate and will function as deputy director of DAI. He is also the new DID chief. Torres was born in 1944. He joined the FSLN in 1971 as a neighborhood activist. He was squad chief of the Juan Jose Quezada Command in 1974 and second in command of the Rigoberto Lopez Perez Command that seized the National Palace in 1978. In the mid 1970's he fought with the guerrillas in northern Nicaragua. After a long retreat on foot to Honduras, he joined the FSLN's Third Tendency and worked on logistics. In 1979 he became the chief of State Security with the ranks of guerrilla and brigade commander. He represented the EPS in the State Council directorate and subsequently acted as chief of the EPS political section. In 1990 he became chief of the Army Cadres.

According to official sources, the strongest candidate to represent the Government Ministry on the DAI is Jorge Irias, former official in charge of the municipalities in the Government Ministry and currently one of Deputy Minister Frank Cesar's assistants.

Appointed by Cesar, Irias was engaged in diverse intelligence activities throughout the Santa Rosa weapons cache investigation.

Decree 44-93 specifies that the police delegate on the DAI will be one of its four second chiefs. A government source indicated that the strongest candidate for this post is Commander Eduardo Cuadra Ferrey due to his experience and contacts made during the Santa Rosa case investigations.

Nevertheless, an unofficial source said Commander Leonel Espinoza will be appointed to the post because he has more experience in the intelligence field and currently supervises the narcotics effort, one of the most sensitive areas of police work.

Military sources have reported that Lieutenant Colonel Rodolfo Payin Castillo will continue in his post as second in charge of the DID.

Cerna Appointed Army Inspector General

PA1710044593 Managua BARRICADA in Spanish 10 Oct 93 p 10

[Text] Colonel Lenin Gregorio Cerna Juarez, known as *Goyo*, was appointed inspector general of the Sandinist People's Army [EPS] yesterday. According to the *EPS General Command Law*, the inspector general is the third highest ranking member of the General Command.

According to Article 17 of the current *Military Law*, the EPS General Command is comprised of the commander in chief, the chief of the General Staff, the inspector general, and the secretary general of the Army.

Until now, the office of the inspector general was vacant, and the law does not mention the duties of the inspector general. A military source has said, however, that Cerna's duties will include ensuring that the orders issued by the General Command are obeyed, and overseeing relations with the civilian population, human rights, civic actions, and overseeing specific areas such as military academies, medical services, and legal services.

The source said that with the draft bill presented to President Violeta Chamorro on 2 October, the office of the secretary general of the Army is abolished.

Transport Workers End Strike

PA1610183093 Panama City ACAN in Spanish 1702 GMT 16 Oct 93

[Text] Managua, 16 Oct (ACAN-EFE)—Transportation workers who provide passenger service ended their four-day strike in Managua after reaching several agreements with the government. One of those agreements deals with the reorganization of the transportation sector.

Neither the government nor the National Transportation Commission [Comision Nacional del Transporte], which led the strike, have released official details of the agreement, but buses and other transportation vehicles began providing regular service this morning.

Union sources told ACAN-EFE that the strike leaders are now trying to obtain the release of approximately 50 strikers arrested by the police on charges of breaking windshields and slashing tires. Most of those arrested belong to the Parrales Vallejo bus cooperative, a Sandinist cooperative that controls 17 of Managua's 37 bus routes and owns 200 vehicles.

The leaders of the National Transportation Commission are the same group that in September led the violent strike that left two dead, dozens injured and arrested, and more than $16 million in damage.

The transportation workers went on strike on Tuesday to protest the government's alleged nonfulfillment of agreements that had ended the September strike. Nicaraguan Transportation Minister Pablo Vigil asserted that the government has complied with 95 percent of the agreements.

Government, Cosep Meet To Discuss 'National Crisis'

PA1710143893 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 14 Oct 93

[Report by Erika Ramirez from the "National" newscast]

[Text] [Ramirez] President Violeta Chamorro met on the afternoon of 13 October with Cosep [Higher Council of Private Enterprise] businessmen, who made suggestions on solving the national crisis. What were the results of the meeting with the president and some cabinet members?

[Begin recording] [Cosep President Ramiro Gurdian, identified by caption] We explained how we perceive this huge crisis. After three hours, we concluded that the government accepted Cosep's goals as its own.

[Ramirez] List those five recommendations for us.

[Gurdian] The following are the five recommendations made by Cosep: solve the problems at the National Assembly and in the Judicial Branch because we do not trust them in their current state; solve the cabinet problems; solve the police and Army problems; and solve the property ownership problem. [as heard]

[Economy Minister Pablo Pereira, identified by caption] They exchanged many views and discussed such subjects on the national agenda as the National Assembly, the betterment and strengthening of the Judicial Branch, and the atmosphere of security and order required especially in the countryside and in the northern region. They also discussed other topics that are important to the private sector, such as property ownership.

It seemed that some Cosep members were unaware of the progress made by the government in solving the property ownership problem. The need to have more elaborate information on how this progress was achieved was discussed.

Also, there was strong agreement in the ideas that were discussed in general terms that the principles and goals to be achieved with regard to these major issues should strengthen the institutions affected by these problems and in turn strengthen and help consolidate democracy in Nicaragua. [end recording]

Cosep promised President Chamorro it would submit these proposals in writing next week.

Lacayo Meets With Economic Cabinet To Discuss Industrial Issues

PA1710041693 Managua Radio Nicaragua Network in Spanish 1100 GMT 12 Oct 93

[Report on interview with Nicaraguan Presidency Minister Antonio Lacayo by unidentified reporter; date, place not given; from the "This Morning" newscast—recorded]

[Text] The meeting between the Nicaraguan Chamber of Industry directors and Presidency Minister Antonio Lacayo was termed as a good dialogue for the industrial sector. Lacayo met on 11 October with members of the economic cabinet to analyze the nation's industrial problem. Lacayo said that the amount of presumptive revenues [renta presumptiva] was reduced from 2 to 1 percent while negotiations had been established with credit institutions to obtain credit extensions for the

industrial sector. He also referred to the nation's political situation, the possible reduction of government bureaucracy, and the support of international institutions to achieve a balance in the nation's economy. Here is what Presidency Minister Antonio Lacayo said:

[Being recording] [Lacayo] This has been a very, very good exchange. They presented in July a very constructive proposal on how we can, within the framework of the current economic policy, polish certain aspects to the benefit of national production. The economy and development minister had promoted a workshop with the industrialists on 26 July. Interesting results have emerged from that workshop that we are following up on. There has been some progress in certain aspects. The presumptive revenue has been lowered from 2 to 1 percent, and we are making efforts to speed up matters at customs. We are also trying to obtain more credit lines, for the long term, in the banks, specifically for the industrial sector. We have been discussing all these matters in a very productive exchange of ideas.

[Reporter] The Chamber of Industry had held talks with international institutions, and they had made a proposal to speed up certain economic measures. In this regard, do you believe that the chamber's position will have any weight on the international institutions for the granting of preferential treatment for Nicaragua?

[Lacayo] I definitely think it will. The more the nation's diverse political and business sectors hold talks with the international institutions the more they will understand more thoroughly our nation's reality; in this regard, the seminar we held with the nongovernment economist last Friday.... [pauses] on Thursday was very useful.

What must be clearly understood is that those institutions have also had experience in [words indistinct] nations, so it is not so easy for them to be willing to change their rules for such a small and poor country such as ours; this complicates things for them. In this regard, what we have been saying is that if the policy is going to be maintained, then the flow of resources could be increased for more credits to be available, and this credit availability, particularly for small and medium production, does in fact favor this nation's large masses.

This will increase the added demand for [word indistinct] of products in our economy and will prompt improvement in this sector. If possible, we will also change and incorporate several policies, which the international institutions believe are good for developing countries, but this will be more difficult. That is why the government has stated that resources [words indistinct] and that resource disbursement be made in a timely manner.

[Reporter] [Words indistinct] has been insisting on the second phase of the government's economic program. How feasible is this second phase?

[Lacayo] This is the same second phase we proposed in 1992 and called the taking off phase; later, Dona Violeta called it the united reactivation effort [reactivacion solidaria] during her annual speech to the assembly on 10 January. Cain's [not further identified] proposed second phase is to maintain the currency's stability and to proceed with the growth phase. We require, however, resources to grow, and we have not had those resources since May 1992.

Truthfully, we do not know where we stand since President Bush's administration cut off those resources. No minister or Central Bank president can prepare an economic program without having any certitude on when resources will come. We have had this uncertainty with the United States for the past 16 months, and it has had a very negative impact on the country's financial [word indistinct]. That is why I stated just a few days ago that now that President Clinton's administration clearly supports the government of Dona Violeta de Chamorro.... [pauses] This was very obvious in Secretary Watson's statements [previous word in English] to the Congress [words indistinct]. Now that the U.S. Government's position is, you could say, firmer, we believe the second phase is feasible, because we have a clearer future even if we receive less aid. Perhaps, if we can get our numbers right, we will be able to attain the united reactivation effort, the taking off phase, or what Cain calls the second phase, in 1994. If things are seen in this light, we agree with him on this issue.

[Reporter] There are strong rumors about a possible reduction of force in the public sector, and government employees are very concerned. It is also said that there will be no 13th month payment. How do you respond?

[Lacayo] The rumors of us not paying the 13th month are totally false. Simply stated, every obligation is considered when the budget of the Republic is prepared. In this case, the government has an obligation with the public employees and, undoubtedly, their 13th month payment will be paid.

[Reporter] [Words indistinct] international institutions to reduce government spending and the amount of government employees. Is this true?

[Lacayo] I would not state it in such a manner. The international institutions are pressuring us to assign more resources to the productive sector. From where are the resources going to come? They will come from wherever they are being wasted. Thus, if any public office, be it in the central government or in an autonomous institution, has more people than it needs, most definitely it would be best to use those resources in the productive sector where they will be multiplied.

One cordoba spent in useless bureaucracy—because there is a bureaucracy that is useful—is an underused cordoba. The cordoba would be multiplied if it where used in the productive sector. I believe things have to be focused from a perspective [words indistinct] here we have to transfer resources from one sector to another.

We, as a country, are not going to allow their simply telling us to spend much less. Where is the other half? What is the other side? The other side is that the resources be sent to the productive sector. We believe that if the resources are allotted to the business sector, [words indistinct] the small producers, the demobilized people who received land, the market women demanding loans, they will be given a better use than in a bureaucracy. We will transfer those resources to the productive sector if we do not leave government employees out on a limb. We will continue to make those changes if we get the funds to allow government employees to enter the occupational reconversion program [programa de reconversion ocupacional] or other such programs. [end recording]

Central Bank Advisers Recommend Currency Devaluation

PA1610002793 Managua Radio Sandino in Spanish 1830 GMT 13 Oct 93

[From the "Radio News" newscast]

[Text] A study conducted by Central Bank advisers, which was forwarded to the Executive Branch, recommended that the government devalue the national currency to a 1:8 ratio with respect to the U.S. dollar. According to the experts the devaluation is unstoppable at this time, reliable sources told us. They also revealed that due to the small amount of liquid reserves in Central Bank vaults, the situation is described as bankrupt.

Our sources explained that the country has only $33.1 million in reserves, when in order to have international support, it should have at least $330 million. The political situation the country is experiencing has prevented the government from declaring the devaluation, which was recommended to go into effect as soon as possible, the source declared.

This month the government did not pay the service on its foreign debt to international organizations or the oil debt to Venezuela, given the situation it is facing.

Radio Nicaragua Staff Report Economic Difficulties at Station

PA1610002593 Managua Radio Corporacion in Spanish 1030 GMT 15 Oct 93

[Report by Luis Mora from "The Awakening" newscast]

[Text] Several dozen workers of the state-owned Radio Nicaragua are hanging by a thread as far as their jobs are concerned. They have not received a single cordoba for months. The Radio Nicaragua board of directors alleges that the station is experiencing economic difficulties but the luxurious lifestyle of some of its officials casts doubt on their allegations.

Some workers think that the idea behind all that is to privatize the radio station to benefit Ernesto Robleto, director of DIP [Directorate of the Press and Information Office]. The situation is also becoming difficult for state-owned Channel 6, which is experiencing similar conditions, Radio Nicaragua workers noted.

Telephone lines have been cut at Radio Nicaragua because of nonpayment. There are no vehicles for reporters to conduct their assignments and there have been no funds to pay overtime hours for the past two months.

The Association of Nicaraguan Newsmen will go to the station to defend the journalists against President Violeta Chamorro.

Panama

Striking Teachers Reportedly Take Over Offices in Provinces

PA1610004593 Panama City Circuito RPC Television in Spanish 2300 GMT 15 Oct 93

[Report by Alexandra Ciniglio; passages within quotation marks recorded; from the "RPC Television News" newscast]

[Text] Talks between the government and teachers have reached an impasse. Teachers reportedly took over several offices of the Education Ministry in several provinces.

Following yesterday's events and the meeting between the teachers' leaders and the president, the possibility of lifting the teachers' strike was discarded; likewise, the idea of returning to school next week was rejected.

When it was believed that President Endara would agree to a partial veto of the law that grants teachers a wage increase, the government made a proposal. It offered to pay them vacation pay in advance and not to take reprisals against the teachers so they could resume classes on 18 October. The proposals were rejected. The virtually two-month long strike will be maintained. Teachers are now waiting for the presidential veto.

[Teachers leader Nestor Mendez] "How is it that they have $1.5 million for the presidential inauguration yet have no funds to invest in education? Investing in teachers' salaries means investing in education; besides, we see a shady interest in all of this. We urge all sectors supporting us to act peacefully."

Violence seems to have taken over the conflict, however.

[Education Minister Marcos Alarcon] "Given that they are occupying installations and holding people hostage, we are filing the respective complaints in the capital of each province and are preparing to file a criminal suit against leaders Efrain de Leon, Marta Guerra, Enrique Bernal, and Domingo Sanchez."

President Endara is urging parents to send their children to school on 18 October. The existing belief is that the school year may be lost.

[Parents Association Representative Leonor Perez] "What assurances and guarantees has he given? Who is going to send his children to school voluntarily if teachers are absent? For what? Who is going to teach them?"

[Unidentified student representative] "We urge all students from the capital and the provinces to go to Porras Plaza on 18 October at 1000. We want all parents and the general public to accompany their children."

Although everybody agrees that it is imperative to reach an agreement to end the strike, the Supreme Court has the last word now. President Endara has reiterated that he will veto the law. The Legislative Assembly has said that it will approve it nonetheless. Legislators say they have a last resort, although they realize the law may be termed unconstitutional.

Meanwhile, the teachers remain on strike.

Endara Addresses Nation

PA1610012493 Panama City Radio and Television Networks in Spanish 2352 GMT 15 Oct 93

["Address to the Nation" by Panamanian President Guillermo Endara in Panama City on 15 October—live or recorded]

[Text] Fellow Citizens: The serious problem created by the strike as declared by leaders of public schools teachers associations has affected the Panamanian community for more than two months. They are demanding a wage increase and have maintained, without a need, the strike, affecting all citizens.

Since long before the beginning of the strike, I clearly expressed to them that we do not have the resources to face an annual expense of so many millions of balboas, as they demand. The government does not have unlimited resources. I regret that they have not given this statement the credibility it deserves.

I am always concerned over the fact that those who suffer most as a result of this situation are the thousands of students, particularly those who will graduate this year. They are being forced to remain out of the classrooms, as they were not considered when declaring the strike.

In a gesture of flexibility and goodwill, my government accepted last August to sit down at the bargaining table without the strike being lifted. We did this despite the fact we had announced that we would not negotiate as long as the strike continued and despite the fact we again noted the government's inability to face a salary hike demand.

On 31 August we presented a formal proposal at the negotiating commission. This offer, the only one that is feasible, consisted of increases in bonuses, facilities for housing, and scholarships. Possibly these measures do not meet all the teachers' demands, but we have always maintained an offer that is responsible and in keeping with the government's financial reality.

We are all obligated to help stabilize the state's finances. We are achieving this to be able to meet salary demands that were negotiated—but not paid—by the previous administration. This includes approximately 8 million balboas my government has paid striking teachers and 86 million balboas paid to teachers for bonuses during my government.

We have been sitting at the bargaining table for more than two months, showing our goodwill to find solutions to this crisis. We have attempted unsuccessfully to convince teachers that we do not have enough resources to meet their demands.

In addition to the offer made on 31 August at the bargaining table, yesterday I delivered personally to the leaders of teachers associations a formula that would permit teachers to return to work 18 October. That offer does not include wage increases, but it commits the government not to take reprisals, as was requested of me, and advance the payment of one month's vacation so they can have financial resources immediately at hand.

Parents, graduating students, and citizens in general want a solution to this conflict. The solution cannot be that the government grant wage hikes; thus, I cannot sanction the draft bill approved by the Legislative Assembly, because it involves a wage increase that is inconvenient and unconstitutional.

It will definitively correspond to the Supreme Court of Justice to decide on the legality of the draft bill.

I will immediately obey word by word whatever ruling the Supreme Court hands down. Under these circumstances, the solution to the conflict is that both the executive branch as well as the teachers should wait for the final ruling, which the Supreme Court should hand down at the proper time.

The trip that will lead us in this direction has already begun. While the time comes, the most responsible thing to do is to resume classes on 18 October without any delays, so that students do not lose their school year.

If it all depends on this final ruling, the continuation of the strike will not contribute to this process, which should take at least three additional months at the soonest; by then it would be too late to save the current school year.

The resumption of classes on 18 October to wait for the Supreme Court ruling does not mean the teachers are being humiliated. They have set forth and defended their viewpoints, but it will now be up to the highest Judicial Branch authority to say the last word. To do it in this way does not mean humiliation or blackmail, and there will be no winners or losers; on the contrary, it will be an

inspired example set for all Panamanians of the public's responsibility and respect for the country's democratic institutions.

Good evening.

President's Proposal Rejected

PA1610000293 Panama City LA ESTRELLA DE PANAMA in Spanish 15 Oct 93 p A1

[Article by Carmen Elida Contreras]

[Text] The education crisis appears to have worsened after teachers last night rejected the government proposal which they termed a "handout" and said the 59-day strike will continue because they cannot return to classes deprived of dignity.

"When we reached the presidency we received only threats. I ask that we remain on strike on Monday, because nobody is going to make us return to classes deprived of dignity, teachers' leader Domingo Sanchez stated on leaving the Palace of the Herons, after talking to President Endara and a delegation of professors.

Endara's proposal contemplates one month leave paid in advance, two proposed school calendars, and no reprisals if they return to classes on Monday, 18 October.

"That is an ultimatum, a threat, and only the National Coordinating Board for the Vindication of Panamanian Teachers [Coordinadora Nacional por la Reinvindicacion de los Educadores Panamenos—Conarep] and its grass-roots organizations will decide if and when they return to classes, but it is not going to be the president who tells us that we will return Monday with a handout," Sanchez said before 20,000 teachers and students who stood outside the presidency waiting for a possible solution to the education problem. Sanchez criticized the media for "vilely deceiving" citizens by "raising expectations that the strike would be solved."

For his part, the president said he felt "frustrated" by the professors and teachers' rejection of his proposal and said the strikers are continuing a "sterile struggle." According to Endara, the educators want him to sign a law that was submitted only last week by the Legislative Assembly granting teachers a $50 wage increase. He described the law as "unwise and unconstitutional." He denied that he had threatened the strikers and explained: "On the contrary, they told me things that hurt me," when they accused him of seeking to promote the suspension of constitutional guarantees, postponing the elections in 1994, and wanting to remain in his post after September 1994.

While the teachers commission negotiated with the president, thousands of demonstrators shouted slogans amid tight security measures in the vicinity of the presidential palace.

Endara Signs Protocol To Join Central American Parliament

PA1610043993 Panama City Circuito RPC Television in Spanish 2300 GMT 14 Oct 93

[Report by Ciro Ortega; from the "RPC Television News" newscast]

[Text] Panama has signed a protocol to join the Central American Parliament, Parlacen, at the presidency. Panama will need 20 more legislators to represent it in that parliament.

Parlacen is a regional political forum in which each country of the region must be represented by 20 legislators elected by popular vote. President Guillermo Endara Galimany signed the protocol to join Parlacen in front of a Central American parliamentary delegation headed by Parlacen President Ilsa Diaz Zelaya. The Legislative Assembly will have to ratify this protocol to join Parlacen.

[Begin Legislative Assembly President Arturo Vallarino recording] In the May 1994 elections there should be a plan to elect the 20 parliamentarians who will represent us in this organization which is headquartered in Guatemala. I was asked if this will entail expenses for Panama. Yes, because we will have to pay wages and transportation expenses. [end recording]

Vallarino said that this subject will be analyzed properly by the Legislative Assembly. He emphasized that it is important to join Parlacen.

Canal Employees Say Proposed Reforms Distort 1977 Treaty

PA1610165093 Panama City EL SIGLO in Spanish 15 Oct 93 p 16

[Report by Roberto R. Rodriguez]

[Text] Members of the Panama Canal Employees Association expressed their "surprise and disillusionment" with the executive branch regarding the incorporation of a new article into the constitution on the Canal Authority, charging that the spirit of the 1977 Canal Treaty has been "distorted."

The employees sent a letter to Joaquin J. Vallarino, president of the Presidential Commission on Panama Canal Affairs, stating that after making recommendations during discussions on the canal issue, they believe that any constitutional reform must be based on "efficiency and depoliticizing" the canal.

In their letter the employees specify which principles have been distorted and say that any appointment of a president of a board of directors must be supported by some sort of minimum requirements. In addition, they say that eliminating the canal's financial autonomy and subjecting it to the cabinet ministers' approval without consulting canal users would undermine its efficiency.

The Panama Canal Employees Association reveals that the reform proposal presented to the National Assembly seeks to hire workers of various nationalities after the year 2000. That concept is contrary to the principle of growing participation established in the treaties and perpetuates privileges for foreigners.

In reiterating that the article to be incorporated into the Constitution must guarantee the financial, labor, budgetary, and administrative autonomy the canal requires, the employees association states: "We hope this mistake can be amended by those legislators who want to transform the canal into a 'useful commodity' for the country."

Argentina

Menem Addresses Nation From Hospital Bed

PY1510135893 Buenos Aires Argentina Televisora Color Network in Spanish 1334 GMT 15 Oct 93

[Message to the nation by President Carlos Menem from his bed in Buenos Aires' Cardiovascular Clinic—recorded "a few minutes ago"]

[Text] As everyone knows, I underwent an emergency operation. I have had excellent doctors and nurses. Everyone worked very well, and I am perfectly fine. I want to send a loving embrace to all the Argentine people and all the peoples of the world given that this news was known everywhere.

I want to tell you that you can stay calm because I am perfectly fine and I am planning to resume work next week. I reiterate that I am fine thanks to this excellent medical team, which in just a few hours finished this surgical process because it was essential to do so. I am fine; we will continue working for Argentina and for peace in the world. God bless you and thank you.

Spokesmen Say 'No Need' for Transfer of Power by Menem

PY1510175193 Buenos Aires Radio Nacional Network in Spanish 1600 GMT 15 Oct 93

[Report by Silvina Martinez Porta from Government House]

[Excerpt] The situation is quite unique here today in Government House. Very few officials turned up for work this morning. Everyone went to see President Carlos Menem, who—as stated by Interior Minister Carlos Ruckauf—is governing the country from his bed in the Buenos Aires Cardiovascular Institute.

Government spokesmen said administrative business is being handled as usual by Secretary General of the Presidency Eduardo Bauza, who is the official closest to the president. The spokesmen reiterated that there is no need for a transfer of power, which would have been automatic if the president's illness was really serious. But there is no need for a transfer of power given that President Menem is in Argentina, in the federal capital, and totally lucid.

The case is different when the president travels abroad because there exists a mechanism of an automatic transfer of power to the Senate president, instituted by a decree passed by former President Raul Alfonsin. [passage omitted]

Menem's Recovery 'Fully Satisfactory'

PY1510213793 Buenos Aires Argentina Televisora Color Network in Spanish 2100 GMT 15 Oct 93

[Text] We have great news. The president is already walking. People applaud him. Let us listen again to a new medical report.

[Begin Dr. Alejandro Tfell recording] The recovery of the president of the nation is fully satisfactory. His intravenous support has been withdrawn and he has began oral feeding and has begun to walk. Thank you. [end recording]

Menem Postpones Trip to Spain Due to Surgery

PY1510235293 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2054 GMT 15 Oct 93

[Excerpt] Buenos Aires—The scheduled presidential visit to Spain has been postponed following the surgery to which President Carlos Menem was submitted. No decision has yet been made on the new date for the trip that was originally scheduled for 25 and 29 October.

This report was released this afternoon simultaneously by the Argentine Embassy in Madrid and the Spanish Embassy in Buenos Aires. [passage omitted]

'Last' Bulletin Says Menem's Recovery 'Excellent'

PY1610162193 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1314 GMT 16 Oct 93

[Text] Buenos Aires, 16 Oct (NA)—President Carlos Menem's postoperative condition is "excellent" and his doctors believe he will be released on Monday, 18 October, from the Buenos Aires Cardiovascular Clinic where he is recovering from the operation he underwent on Thursday, 14 October.

This information is contained in a medical bulletin read by the chief of state's personal doctor, Alejandro Tfeli, who announced that this is the last bulletin that will be released because "the postoperative phase is regarded as over."

Border Policemen To Be Sent to Haiti To Guard Embassy

PY1510183393 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1537 GMT 15 Oct 93

[Text] Buenos Aires, 15 Oct (NA)—A group of National Border Police officers and noncommissioned officers are preparing to travel to Haiti to guard the Argentine Embassy on that Caribbean island. The Defense Ministry has yet to decide when they will depart.

In light of the wave of violence that broke out on the island and, especially, the death threats against Dante Caputo, the Argentine Foreign Ministry asked the

Defense Ministry to "urgently" send a detachment of border policemen to guard the Argentine Embassy in Haiti.

Caputo, who was foreign minister during Raul Alfonsin's administration, is currently in Haiti in his capacity as UN and OAS envoy, negotiating the reinstatement of Jean Bertrand Aristide as head of state.

Although it could not be officially confirmed, a considerable number of border policemen are being specially trained to guard the Argentine Embassy. The Defense Ministry will decide how many policemen will be sent.

The urgent request by the Foreign Ministry follows the murder of Justice Minister Guy Malary and two of his bodyguards by paramilitary forces loyal to General Raoul Cedras, which prompted the wave of violence on the island.

The border policemen will protect members of the Argentine diplomatic mission in Haiti following several veiled threats by the most violent sectors of the island (the Ton-Ton Macoutes).

Caputo will establish his headquarters at the Argentine Embassy even though the United Nations will continue to be responsible for his personal protection.

Likewise, the border policemen will only be able to operate on the premises of the Argentine Embassy.

Caputo and Prime Minister Robert Malval are the main targets of the violent armed civilians loyal to Gen. Cedras, who, together with Police Chief Michel Francis, have been accused by Caputo of being the responsible for the current wave of violence in Haiti.

Troops Arrive

PY1610233093 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1542 GMT 16 Oct 93

[Text] Buenos Aires, 16 Oct (NA)—Argentine Deputy Foreign Minister Fernando Petrella this morning confirmed that "National Border Police troops have already entered Port-au-Prince," the capital of Haiti, "to defend the Argentine Embassy" in that Caribbean nation.

"Some of the troops were in the Dominican Republic," Petrella explained, adding that the situation on the island—which has been plunged into a serious institutional crisis—is "difficult."

Petrella made these remarks after a short meeting with President Carlos Menem at the Buenos Aires Cardiovascular Institute, to which the president was admitted on Thursday.

Petrella confirmed the Argentine Government's decision to participate with one ship in the blockade imposed on Haiti for having violated the treaty signed at Governor's Island, in New York, under the auspices of the United Nations.

The official said that "if the United Nations Security Council asks Argentina to participate (in the blockade), the country will participate."

For his part, after visiting the president at the Buenos Aires Institute this morning, General Mario Candido Diaz, chief of the Joint Staff, reiterated the Armed Forces' disposition to participate in the naval blockade.

During the visit to the president Diaz was accompanied by [Navy Chief of Staff] Admiral Enrique Molina Pico and [Air Force Chief of Staff] Brigadier General Juan Manuel Paulik. The Haitian issue was probably analyzed during the meeting.

In turn, Senator Eduardo Menem said that "former Argentine foreign minister and current United Nations mediator Dante Caputo has full government support for his negotiations in Haiti."

The legislator said that the situation in that country is "very difficult," and declined to make any forecasts on the outcome of the crisis in that Caribbean nation.

Bolivia

'Significant Progress' Made in Bolivian-Mexican Cooperation

PY1710014793 Cochabamba LOS TIEMPOS in Spanish 2 Oct 93 p A9

[Text] La Paz, 1 Oct—The first meeting of the high-level consultation mechanism that will analyze the practical aspects of Bolivian-Mexican cooperation will be held in La Paz in November. The Bolivian-Mexican Cooperation Committee will begin operating officially during the first three months of 1994.

These decisions were made during the third meeting of the Mixed Bolivian-Mexican Intergovernmental Committee, which was recently held in Mexico's Federal District. This meeting was held under the presidency of Jaime Aparicio, bilateral undersecretary for Bolivian political and economic affairs, and Mexican Foreign Deputy Secretary Rosario Green.

According to the Foreign Ministry, those attending the meeting held in Mexico exchanged information on trade, finances, and macroeconomics, as well as made the decision to hold in the near future a meeting of experts to ensure a more appropriate flow of information.

The meeting also evaluated progress made by the Economic Complementation Accord Negotiating Group, and defined formulae for the next round of negotiations, which will be held on 4 and 5 November in La Paz. These facts indicate significant progress in the process.

Mexico has reiterated its offer of a $10 million credit line for the purchase of assets or for the financing of Bolivian Government Oil Deposits projects. It also confirmed its

support for the construction of the Carrasco-Chapare-Cochabamba oil pipeline, including the furnishing of assets and services.

Mexico has reported that the Bancomext as well as the Andean Development Corporation have approved financing for the study of "the long-term project to ensure a Bolivian sea outlet through Ilo Port," and has asked Bolivia to take the necessary steps to make feasible the disbursement of the resources required for a prompt initiation of the corresponding construction work.

The delegations have agreed to subscribe in the near future to a cooperation accord between Bancomext and the Mexican Secretariat for Trade and Finances and the Bolivian Institute for the Promotion of Exports.

After analyzing the 1992-93 program for technical cooperation, the third meeting of the Mixed Bolivian-Mexican Committee praised the program's achievements, and decided to schedule the second meeting of the Mixed Committee for Technical and Scientific Cooperation for March 1994 in La Paz. In this meeting topics related to the social, mining, agriculture, livestock, environment, and public health fields will be discusssed.

The 1990-93 program for cultural and educational exchange was also evaluated, and it has been reported that the new cultural program for 1994-96 will be defined in February 1994, in Mexico, where the second meeting of the Cultural Committee will be held.

Bolivian President: Meeting With Aylwin 'Positive'

PY1510143293 La Paz Radio Fides Network in Spanish 1100 GMT 15 Oct 93

[Text] Bolivian President Gonzalo Sanchez de Lozada said yesterday in Chile that the sea outlet problem has always been present, is always present, and will always be present because Chileans and Bolivians live so close to the sea that they can hear the sound of the waves.

Sanchez de Lozada, who will participate in the deliberations of the seventh Rio Group summit that will start today in Santiago, said yesterday after a meeting with Chilean President Patricio Aylwin that the issue of resuming Chilean-Bolivian diplomatic relations is not very important. I have not brought any proposals or negotiated anything with anyone. We simply exchanged ideas on a broad number of issues in a frank and sincere manner. I am learning things on a personal basis. Sanchez said we do not want to ever forget Bolivian claims to an ocean coast or establish priorities. I think we have to wait for a miracle resulting from the imagination, good faith, and the work of both countries that will permit us to solve and overcome this historic problem so we might look to the future.

Sanchez de Lozada said his meeting with Aylwin was extraordinarily positive. The Bolivian president spoke about a possible approach between Chile and Bolivia because there is a desire for closer relations, which is proof that the world is changing and needs to confront the problems of the future.

These are important negotiations. We feel very happy and comforted to have passed this news to our listeners during this program. The Bolivian president was up to everyone's expectations. We think Gonzalo Sanchez de Lozada's remarks in Santiago yesterday are very positive for the highest interests of the fatherland, which is what interests each and everyone of us.

'Total Eradication' of Surplus Coca in 3 Years Forecasted

PY1510211493 Cochabamba LOS TIEMPOS in Spanish 2 Oct 93 p A3

[Text] La Paz, 1 Oct (ANF)—National Agriculture Secretary Edgar Talavera has announced "the total eradication" of surplus coca plantations within three years.

He said that 12,000 hectares of coca will remain for domestic consumption in compliance with Law 1008. Under that law, the Yungas of La Paz zone is reserved for that purpose.

Over the next three years, 24,000 hectares of coca will be eliminated under the compensation plan at $2,000 per hectare.

He said the U.S. Government is disbursing the economic resources to finance the Alternative Development programs. Edgar Talavera explained that the "militarization" of the antidrug struggle in the coca zones must be analyzed by Congress, adding that the replacement of coca for another agricultural product must be carried out "in agreement" with the peasants.

He termed "positive" the agreement reached between peasant leaders and the Ministry of Government to control the marketing of coca by the producers.

Talavera demanded strong repressive measures and "maximum sentences" against traffickers to prevent them from thwarting the eradication goals and the Alternative Development program.

Talavera said that the index of coca consumers has increased considerably but there is no need to increase the traditional plantations in the Yungas region of La Paz that to satisfy demand.

He said: Coca consumption increased in the tropical zone among indigenous people, and plantations probably have also increased—although I cannot say for sure—but these plantations are illegal and must be punished under Law No. 1008.

The law permits 12,000 hectares of coca plantations for the legal consumption by those who chew the leaves. Talavera said: "If consumption increases it does not follow that plantations must also increase."

Antidrug Fight Reportedly Militarized in Chapare

PY1510220093 La Paz HOY in Spanish 4 Oct 93 p 9

[Text] Santa Cruz, 3 Oct (HOY)—Arguing that Colombian and Brazilian traffickers are engaged in the itinerant manufacturing of drugs in Chapare—staying just two or three days in the same place—officials of the Special Antinarcotics Force (FELCN) and of the Interior Ministry have implemented Annex-3 of the agreement with the United States and decided to militarize the antidrug struggle.

The Army Transport Battalion, known as the 2d Battalion headquartered in Santa Cruz, which is subordinate to the 8th Army Division and which was equipped by the U.S. Government with modern armored vehicles, has been deployed to Chapare to command the UMOPAR [Mobile Police Unit for Rural Areas] garrison in Chimore.

This logistic support is being supplied to the military units in the antidrug fight. A few days ago a report by ANF [Fides News Agency] from Key West, Florida, reveals that the United States plans to attack traffickers "nests" in Colombia, Peru, and Bolivia.

The report states that members of the U.S. Armed Forces top command have revealed that within a new strategy in President Clinton's antidrug policy, these "traffickers nests must be attacked" in nations that produce coca leaves—Bolivia, Peru, and Colombia—and the enforcement policy that "attacks" just the wasps that frequent the U.S. coasts supplying banned psychotropic substances will be discontinued.

The same report states that a conference of military chiefs from the Drug Detection Task Force of the 4th Command has decided that "the Armed Forces in all countries should never play a leading operational role against traffickers, but must solely provide logistic support to the police forces."

According to these reports, Bolivia has no alternative but to militarize the antidrug fight, in light of approval by Peru of a decree ordering military participation in the antidrug actions. In Colombia, Navy, Air Force, and Army troops participate in similar tasks.

Brazil

Military Police Invade Rio Ghetto To Avenge Killing

PY1610235293 Rio de Janeiro O GLOBO in Portuguese 15 Oct 93 p 13

[Text] Eighteen hours after Army soldiers entered the Roquete Pinto ghetto, in the Complexo da Mare neighborhood in Ramos, to search for those responsible for the shooting against the 24th Armored Infantry Battalion (BIB) and for an attack on a guard, a fight between rival drug-trafficking gangs caused panic and forced the closure of the local nursery, the first-aid station, and stores. The BIB barrack, which was in the firing line of the bandits, was hit again. The barracks was put into a state of readiness, there was a commotion, and soldiers took defensive positions but did not return the shots.

During the evening some 150 military policemen invaded the ghetto, positioning themselves at all areas of access to the ghetto, to retaliate for the murder of soldier Moreira, who with another two soldiers from the 5th BPM [Military Police Battalion] (Praca da Harmonia) had been passing along Brasil Avenue when their car broke down. When Moreira went to ask for help from a local tire repair shop, he was killed with shots from an AR-15 rifle. The murderer escaped on a bicycle.

According to ghetto dwellers the war over the control of drug-trafficking locations in Roquete Pinto began a week ago, and there is shooting every day. The contending gangs are led by Zoiao (of the Varginha ghetto), Fabinho (Ramos), and Padrinho and Raminho (Roquete Pinto).

Yesterday's fight was between the Roquete Pinto bandits and Ramos ghetto traffickers, who were supported by Varginha marginals. The clash began at about 1100 when the bandits occupied the ghetto's main square, and a five-minute shootout ensued. Doctors and patients rapidly left the first-aid station, while store owners closed their doors.

Some traffickers ran along alleys looking for an escape, shooting at a soccer field next door to the Army barracks. The bandits escaped leaving tens of rounds of ammunition from 9-mm machine guns and AR-15 rifles on the square. At 1300, 40 military policemen arrived in the ghetto to search for the criminals, but found nothing.

President Franco Following Rio Violence 'Very Closely'

PY1710000893 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Oct 93 p C4

[Report by special correspondent Tania Monteiro]

[Text] Santiago—President Itamar Franco, who is in Santiago participating in a meeting of Latin American chiefs of state, said yesterday that as long as the Federal Government believes that the situation in Rio de Janeiro is under control, there will be no intervention in the state. He said: "Governor Leonel Brizola continues to insist that the situation in Rio is under control." He added: "As long as we believe that the situation is under control, we will have to respect the governor's position." Franco said that he is waiting for more reports on the new attack by drug traffickers, this time against an Army barracks in Rio de Janeiro.

"There can be no partial intervention," Franco said. "A state is intervened in or it isn't," he added. In his opinion, "Rio de Janeiro's problems are the state's own business." He hopes the problem will be solved by the

state government itself. According to Franco, this intervention will only take place if Brizola calls for it, as did the Alagoas and Rondonia governors.

He did not want to classify as a climate of social upheaval the latest incidents in Rio, namely the drug traffickers' attack against the 24th Armored Infantry Battalion barracks and the so-called beach dragnet by young delinquents on the Ipanema and Copacabana beaches on 12 October. He warned, however: "We cannot allow anyone in Brazil to solve social problems through any method except a democratic one." He pointed out that his administration is fundamentally concerned with the social problem, and that for this reason he is following very closely what is happening in Rio.

The president asserted that the Federal Government is ready to help the Rio de Janeiro State Government if Governor Brizola asks for help. Franco showed concern over the news that the Red Brigade again attacked the Army barracks in Rio de Janeiro. "We are here to help, but Rio's governor must ask for help," he reiterated.

The latest incidents occurring in Rio de Janeiro hit Chilean newspaper headlines. Santiago's main daily EL MERCURIO yesterday showed on its front page a photograph of the gangs' clash on Ipanema beach. The photograph shows a policemen pointing a gun at the mob. The newspaper also reports that the gangs invaded the most famous beaches in the city and fought each other for more than four hours.

Draft Decree Envisages Abolishment, Merger of Ministries

PY1510210193 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Oct 93 p A4

[Article by Cleber Praxedes]

[Text] Brasilia—The Finance and Planning Ministries have sent a draft decree to the president abolishing the Regional Integration, Social Welfare, Science and Technology, and Environment and Planning Ministries. The study also envisages a merger between the Education and Culture Ministries, and the incorporation of the Planning Ministry into the Finance Ministry. Science and Technology could again become a secretariat dependent on the Education Ministry. Through this reform the government wants to limit public spending, which is looking at a $25 billion deficit in 1994.

The reform proposal envisages the merger, abolishment, and transfer to the states of several federal organizations. The experts even proposed the merger of the military ministries—Army, Navy, Aeronautics, and Armed Forces Staff. The idea is "to centralize the military command, to free up the military so that it can concentrate on its institutional tasks in the interior and on the borders of Brazil, and to reduce administrative expenses."

The group responsible for this proposal has concluded that there is no need for a National Department of Drought Control (DNOCS) or Northeastern Colonization Company [Companhia de Colonizacao do Nordeste—Colone]. "The DNOCS served political interests, and in the creation of jobs; while the functions of Colone, headquartered in Maranhao State, overlap those of other agencies," a Finance Ministry official said.

The draft document also recommends the abolishment of the Brazilian Welfare Legion (LBA), the Brazilian Center Foundation for Childhood and Adolescents [Fundacao Centro Brasileiro para a Infancia e Adolescencia—CBIA], the Student Assistance Foundation [Fundacao Assistencia ao Estudante—FAE], the National Food and Nutrition Institute (INAN), and the Central Medical Supplies Exchange (Ceme). The LBA and CBIA could be transferred to the states and municipalities, just as was done with Inamps [National Institute for Social Security Medical Assistance]. "LBA and the Funding Authority for Studies and Projects (Finep) spend nearly 70 percent of their funds on assisting the poor with their administrative paperwork," stated one of the experts who participated in this study.

The work group also requested a reduction in federal university expenses in the document, which has become a draft decree for the presidency. According to the study done by this work group, some universities have high personnel expenses. As an example, the Federal Fluminense University was mentioned because it has one employee for every two students. During the Collor administration the universities did not agree to reduce their expenses, but promised to increase the number of pupils in order to modify the student-employee ratio. However, they did not comply with this promise. The Finance and Planning Ministry experts suggested transferring federal technical schools (19 in all) to the states, including rural schools.

Constitution Revision Priorities Divide Party Blocs

PY1610200293 Rio de Janeiro O GLOBO in Portuguese 15 Oct 93 p 3

[Article by Rossana Alves]

[Text] Brasilia—The listing of priority subjects in the agenda for the constitutional revision has already caused a split among the main parties in Congress. While Deputy Roberto Freire, government leader in the Chamber of Deputies, the PMDB [Brazilian Democratic Movement Party], and the PSDB [Brazilian Social Democracy Party] want the tax and social welfare reforms to be the first items of discussion, the PFL [Liberal Front Party] and the PPR [Progressive Renewal Party] insist on beginning the revision with the chapter on economic order to put an end to the state monopolies and the restrictions on foreign capital.

The parties that make up the government support base want to begin the debates with the tax reform to guarantee that it will come into effect in 1994. In this manner, they will help the government reduce its fiscal deficit, which is estimated to reach $25 billion in the 1994 national budget.

"The PMDB and the PSDB want to speed up the tax reform to guarantee the governability of the country," said PSDB deputy leader Geraldo Alckmin, deputy for Sao Paulo State.

Deputy Roberto Freire is aware that the idea of proclaiming the constitutional amendments as they are approved—which would facilitate the tax reform—will generate legal debates and will even be questioned by the Federal Supreme Court. Despite this risk, he said, he will insist on prioritizing the tax reform. He also thinks that the government must prepare measures to increase tax collection in 1994 if the tax reform is not approved before the end of the year.

"The government must be prepared to implement tax changes, independently from the constitutional revision," Freire said.

The PFL and the PPR are not in the least worried about the government difficulties. Deputy Benito Gama (PFL-Bahia) says there is not enough time before the end of the year. He says that the PFL is not willing to approve an issue on a hasty basis just to solve the cash flow problem of the National Treasury.

"Any change in the tax system should be enforced only as of 1995. We will not approve an issue only to please the government," Gama said.

PPR leader Deputy Jose Luiz Maia has another argument against prioritizing the tax reform: It is not possible to define the tax issue before Congress decides the attributions of the Federal Government, states, and municipalities.

Chamber To Investigate 'Corruption Network' Charges

PY1710015393 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 16 Oct 93

[Text] Charges of the existence of a billion-real cruzeiro corruption network in Congress has forced the Chamber of Deputies president to ask for the immediate formation of a congressional investigating committee [CPI].

The CPI will investigate the involvement of 23 congressmen, six former ministers, and 10 governors in embezzling from the federal budget.

The charges were made by former Senate Budget Committee Director Jose Carlos Alves dos Santos, who was arrested early this week with more than 200 million real cruzeiros in counterfeit and legal (?dollar) notes.

[Begin recording] [Unidentified reporter] Retired Senate official Jose Carlos Alves dos Santos has allegedly committed various crimes, including homicide and the concealment of the body of his missing wife, Ana Elizabeth.

The police today investigated the possibility that a body discovered in a coffin on the border between Alagoas and Pernambuco States might be that of Jose Carlos' wife, but this possibility was ruled out after the Alagoas security secretary told the Federal District civil police director over the telephone that the body had been found in March 1992, eight months before Ana Elizabeth was reported missing.

Jose Carlos, who was arrested in Brasilia last week, confessed that he had received 200 million real cruzeiros in bribes. On 18 October he will supply to the police a list of names of congressmen involved in embezzling from the federal budget.

[Reporter Andreia Boni from Brasilia] According to Jose Carlos' attorney, this information jeopardizes Jose Carlos' life. The attorney has therefore asked the Attorney General's Office to reinforce security.

And today Chamber of Deputies President Inocencio de Oliveira decided that on 18 October he will ask for the formation of a CPI in Congress to investigate all the charges.

[De Oliveira] I have agreed with [Senate] President Humberto Lucena to hold a meeting at 1000 on 18 October. During the meeting we will define all the most important measures to be taken in this case. [end recording]

In an interview with the magazine VEJA, which will be circulated tomorrow, Jose Carlos Alves dos Santos also involves Civilian Household Chief Henrique Hargreaves and Regional Integration Minister Alexandre Costa in the corruption network.

Jose Carlos Alves dos Santos also involves Senate President Humberto Lucena, Federal District Governor Joaquim Roriz, Maranhao Governor Edison Lobao, and Sergipe Governor Joao Alves.

Former Ministers Ricardo Fiuza, Margarida Procopio, Carlos Chiarelli, and Anibal Teixeira are also involved.

The deputies mentioned by Jose Carlos Alves dos Santos are Joao Alves, Genebaldo Correa, Cid Carvalho, Jose Luiz Maia, Jose Carlos Vasconcellos, Sergio Guerra, Gastone Righi, Jose Geraldo, Ezio Ferreira, Flavio Palmier, Paes Landim, Messias Gois, Pedro Irujo, Ulduriico Pinto, Manoel Moreira, and Flavio Derzi.

Jose Carlos Alves dos Santos has also involved Senator Mauro Benevides, his son, Carlos Benevides, and Senator Ronaldo Aragao.

Jose Carlos Alves dos Santos said he had not personally heard of any illegal deal involving these politicians.

Their names were reportedly supplied to him by Deputy Joao Alves, a former Congressional Budget Committee chairman.

UK Official Endorses Economic Adjustment Measures

PY1610164693 Rio de Janeiro O GLOBO in Portuguese 15 Oct 93 p 20

[Text] Brasilia—Minister of State for the UK Foreign Office David Heathcoat-Amory, who is visiting Brazil, has said that the country must speed up the economic adjustment measures to curb inflation. He thinks that the team of Finance Minister Fernando Henrique Cardoso has all the conditions to adopt the economic adjustment measures.

"Brazil needs a firm government action to stabilize the economy and defeat inflation. Social sacrifices are always enormous when a stabilization process is implemented, but they are essential for the economic growth of a country," he said.

Amory, who is visiting Brazil in an attempt to intensify trade between the two countries and to increase British exports to Brazil, pointed out that Brazil already has three important conditions to implement stabilization measures. The first is a high level of exchange reserves, and the other two are a good trade balance and a private sector which, according to Amory, is very strong and competent.

Article Claims Agriculture Minister Withheld Information

PY1710005293 Sao Paulo FOLHA DE SAO PAULO in Portuguese 15 Oct 93 p 1

[Text] Agriculture Minister Dejandir Dalpasquale withheld information from President Itamar Franco in the letter he sent to the president to guarantee his installation. The minister did not report that when he was president of the National Bank of Cooperative Credit [BNCC] the bank granted loans to the Vale do Rio Guapore Agro-Industrial Cooperative (RO) [Rondonia] when one of its vice presidents was Dejandir Delpasquale Filho [his son]. In his letter to President Franco, Dalpasquale only reported that the BNCC did not finance the building of a warehouse. Documents show that there were previous loans. Dalpasquale said he informed Franco of those loans.

France Confirms Interest in Selling Materiel to Army

PY1610195693 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Oct 93 p A10

[Text] Paris—During a meeting with Finance Minister Fernando Henrique Cardoso, French Industry and Trade Minister Gerard Longuet said his government is interested in the project for the installation of the Amazon Region Surveillance System [Sivam]. Minister Cardoso has confirmed discussing this issue with Longuet. He pointed out that the Sivam is the implementation of a previous project, the Sindata [expansion unknown], in which France participated through its state-owned company, Thomson.

Cardoso reported that the Brazilian Government has sent a circular letter on the issue to some countries, including France, the United States, and Italy. He explained that this time the project has more sensitive military implications because it will be implemented in the Amazon region. He added that, for this reason, part of the project will be implemented without a bidding, although it will be controlled by the government. He asserted, however, that most of the project will obey the usual rules used for federal government purchases. In his opinion, as France already has obtained experience through the implementation of the Sindata project, it is in a position to supply the equipment to Brazil. He emphasized, however, that several U.S. companies are interested in the project.

The meeting with Longuet, however, was not only about this project. The French minister expressed interest in the Brazilian privatization process, especially because the telecommunications companies might be included in it. They also discussed the financing of two important projects: The Candiota 3 thermoelectric plant in Rio Grande do Sul State, and the electrification of the Fepasa [Sao Paulo Railroad, Inc.] network. According to Cardoso, a $360 million loan is available for the thermoelectric plant. The Fepasa network project, however, requires a $180 million loan.

Helicopters

Brazilian Army sources reported last week that the French Government is interested in concluding the sale of equipment for the Sivam in the quickest possible manner. The negotiation involved opening special French credit for projects in the areas of agriculture and industry in Brazil.

The Army also enjoys close trade relations with the French consortium that administers the Aeroespaciale company from which it purchased 72 Panther helicopters in the last five years. Now, the Brazilian military are interested in the offer of Super Puma models, which have already been tested by the Air Force. The transaction will probably be concluded in the next few months.

The Brazilian Government is also happy about the counterproposal made by France for the purchase of military equipment. If Brazil closes deals for the purchase of helicopters and radars for the Sivam project, it will have ensured resources for projects to be implemented in the areas of agriculture and industry.

Military Tell Franco of Need for Wage Increase

PY1510143993 Rio de Janeiro O GLOBO in Portuguese 14 Oct 93 p 5

[Text] Brasilia—The military ministers met President Itamar Franco yesterday to share with him the need to grant an emergency wage increase for the military since they believe the military can no longer stand the government's tightening of the purse-strings concerning their wages. According to an Armed Forces officer, Army Minister General Zenildo Lucena, Navy Minister Admiral Ivan Serpa, Aeronautics Minister Lelio Lobo, and the Armed Forces Joint Staff (Emfa) chief, Squadron Admiral Arnaldo Leite Pereira, met at Emfa headquarters for more than two hours before they decided to inform the president that the military is in no condition to wait for salary equalization between the three branches of government.

Officially, the meeting's only purpose was the submission of proposals for constitutional reform to the president by the military ministers. The official version was made public by presidential spokesman Francisco Baker and Squadron Adm. Leite Pereira. Notwithstanding this, the latter acknowledged that the salary issue is always raised at any meeting. The chief of the Army Social Communications Center (Cecomsex), General Gilberto Serra, also confirmed the conflict over salaries: We have been short of money for a long time. Our collective agreement's renewal date is in January, but our problem needs a solution for yesterday.

Chile

Aylwin Meets Bolivian President Sanchez de Lozada

PY1510164793 Madrid EFE in Spanish 0113 GMT 15 Oct 93

[Text] Santiago, 14 Oct (EFE)—Chilean President Patricio Aylwin and Bolivian President Gonzalo Sanchez de Lozada talked today, 14 October, about Bolivia's maritime aspirations and about relations between the two countries during a historic meeting between the two presidents in the Chilean capital.

After meeting with Aylwin for more than one hour at La Moneda Palace, Sanchez de Lozada—who is in Santiago to attend the Seventh Rio Group Summit—told journalists that he talked with the Chilean president "about the sea and about everything."

He added that even though Bolivians "have not given up our aspirations for an access to the sea, we will not set priorities" in relations with Chile. He added: "We want to walk side by side, waiting for a miracle that is born out of imagination, good faith, and work, forgetting the past and planning the future."

Sanchez de Lozada emphasized that "there are many possibilities for promoting ties with Chile," adding: "We want to progress on all fronts, economically, politically, intellectually, and even spiritually." He stated, however, that "we do not want to give up our aspirations," alluding to Bolivian access to the sea.

The Bolivian president said: "The sea issue is always present, because Bolivians and Chileans live very close to the sea." Sanchez summarized his desire for rapprochement with Chile by saying that "if it took me 168 years to visit Santiago, I will not leave very easily."

"There is much to be done, and the best factor is that both countries have the will," the Bolivian president replied when asked about reestablishing diplomatic relations between his country and Chile, which have remained broken since 1962, except for a short period between 1975 and 1978.

Sanchez de Lozada warned that he brought no proposals, demands, or specific agenda, noting that he and Aylwin exchanged views "in an atmosphere of respect and sincerity."

He added that they addressed the international situation, the North American Free Trade Treaty, and "our obligations in a world in which developed countries are denying us help, and in which barriers are being erected against exchange and commerce."

The voice of smaller countries must be heard "so that the blocs welcome and help us, and so that we all become parts of the same dynamic process," said Sanchez de Lozada, who conveyed his admiration for Aylwin, "who knows how to turn popularity into respect."

After the meeting with Sanchez de Lozada, Aylwin met for 30 minutes with Peruvian President Alberto Fujimori, who left La Moneda Palace without making any comment.

Chilean Foreign Ministry sources had reported that Aylwin and Fujimori would study the Conventions of Lima, which the two governments signed on 11 May, and which seek to solve some pending matters of the treaty the two countries signed in 1929.

The agreements provided for by the Conventions are being ratified by the congresses in both countries. It is expected that they will be improved with mechanisms to settle controversies, among other topics.

Members of 'Dead' Social Democratic Party Join Coalition

PY1710005593 Santiago EL MERCURIO in Spanish 3 Oct 93 p C2

[Text] Yesterday 1,300 members of the Social Democratic Party [PSD] joined the Coalition of Parties for Democracy (PPD). Among them is former PSD President Eugenio Velasco Letelier, former Vice President Amador Navarro, and the PSD youth leaders.

This was reported by acting PPD President Victor Manuel Rebolledo, who received the records on the new members from Navarro's hands during a ceremony held at the Tupahue Hotel.

Velasco indicated that those who have joined the PPD "maintain their own ideas, and have never disagreed with the PSD. We have simply reached the conclusion that we cannot implement our ideas if we remain in the small PSD, which is already dead. We found in the PPD the atmosphere we have always dreamed of to make our ideas into reality."

Velasco said that the exit of these militants will not hurt the PSD "because the party is already dead, clinically dead. The party is registered, it has all the documents, but it is dead. Of course, against our wishes and affection."

Acting PPD President Victor Manuel Rebolledo, meanwhile, said that the incorporation of the Social Democrats "is a step of integration from a party that shares our principles and objectives. They have understood that the PPD was the proper party to carry out their political plan."

Rebolledo added that what happened "is very important, because it strengthens the PPD, the coalition, as well as the process of convergence and articulation that has also been occurring due to similarities between various political parties."

Colombia

Coffee Organization Members To Fill Gap Left by U.S.

PA1510224593 Mexico City NOTIMEX in Spanish 1934 GMT 15 Oct 93

[Text] Santa Fe de Bogota, 15 Oct (NOTIMEX)—Colombia today voiced its willingness, along other coffee producers and consumers, to fill the "financial gap" left by the withdrawal of the United States from the International Coffee Organization, OIC.

In statements to the media, Luis Prieto, Colombian ambassador to the United Kingdom, said that "the deficit left by the withdrawal of the United States amounts to about $600,000, which will be covered by consumer nations and certain producer nations."

The United States left the OIC in September because of what it termed as "unilateral decisions" made by coffee exporters, which decided in the past months to establish a world organization made up solely by producer countries.

The coffee producers' measures, which included the retention of 20 percent of their production, were adopted because of the collapse of an international pact that caused them losses estimated in the millions.

Ambassador Prieto also confirmed that OIC headquarters will remain in London where producer and consumer countries are expected to meet in upcoming months.

Colombia, the world's second largMHz producer, yesterday reported that there are investors and industrialists in the world coffee market that are trying to sabotage the coffee retention system.

Jorge Cardenas, manager of the National Federation of Colombian Coffee Growers, denied reports that Brazil has broken commitments made to other exporters. He added that such reports "come from sources interested in creating confusion around the new scheme."

OIC Members To Cover Deficit

PA1610132993 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 16 Oct 93

[Text] Colombia and other coffee producing and consuming nations will fill the financial gap left by the United States in the International Coffee Organization [OIC]. Luis Prieto Campo, Colombian ambassador to London, said that the U.S. Government's withdrawal (from the organization) caused a $600,000 deficit in the budget, which the organization's members will cover. The diplomat also confirmed that the OIC headquarters will remain in London, thereby ruling out its closure.

Dialogue With Socialist Renewal Movement at Standstill

PA1710220693 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 15 Oct 93

[From the "National" newscast]

[Text] In Colombia, the dialogue with the Socialist Renewal Movement remains at a standstill. The guerrilla spokesmen in Ovejas are demanding the presence of the government minister. Meanwhile, in Santa Fe de Bogota, government officials say that for the time being no date has been specified.

[Begin Commander Gabriel Borja recording] The government must update its peace policy and make a new proposal. That proposal has to do with the problem of the peace advisers, the problem of the relations between the military and the government, the problem of international verification, and of a detente of the military.

We have made some suggestions regarding some of these points in order to resume negotiations. We are waiting for a signal or something on the part of the national government in order for us to receive the government minister here, at Flor del Monte. [end recording]

Nonetheless, in Bogota not much progress has been made in this regard.

[Begin Ricardo Santamaria, government adviser for security, recording] We are waiting for the mediator to

provide us with a date or that we agree on this with him. We realize it should be done soon. [end recording]

Talks at Flor del Monte should discuss an important issue, however—international verification.

[Begin Santamaria recording] We are willing to discuss the issue when the government minister and the peace adviser visit Flor del Monte. [end recording]

Drug Police Seize 1.5 Tons of Cocaine, Expose 'Huge' Camp

PA1710211993 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 17 Oct 93

[From the "Last Minute Caracol" newscast]

[Text] In recent hours the authorities dealt a harsh blow to the drug traffickers that operate in Colombia, with support from Bolivian criminal groups, when they seized nearly 1.5 tons of cocaine in two operations.

Members of the Drug Police exposed a huge (?camp) near Marandu, Vichada, where they seized approximately 800 kg of the drug. Official spokesmen have reported that the place was guarded by guerrillas of the Revolutionary Armed Forces of Colombia who fought the police for several hours.

The police found that the camp was prepared to hold 120 people and was equipped with dormitories, recreation areas, dining halls, rooms with electricity generators, and labs where large amounts of cocaine were produced every month.

In a second action, the National Police found 600 kg of cocaine inside a Bolivian-registered small plane that was parked on a landing strip in Guainia.

Ecuador

Anti-Castro Agency Says Cuban Cameraman Decides To Defect

PA1610211693 Quito Voz de los Andes in Spanish 2300 GMT 14 Oct 93

[From "The Voz Andes Newscast"]

[Text] A Cuban cameraman who had been invited to Quito to make a documentary and give lectures has decided to defect and is in hiding, an anti-Castro information agency has reported. The anti-Castro (Seplicuba) agency identified the defector as Inocente Antonio Alvarez Acosta, a 39-year-old from Havana. The agency stated that he is a cameraman who worked for the Cuban television newscast. The Cuban citizen is in a safe location in Quito, fleeing from Cuban intelligence agents who are trying to kidnap him and send him back to the island, a communique from (Seplicuba) reported.

Paredes Denies Nonaggression Pact Offered to Peru

PA1510223593 Madrid EFE in Spanish 2238 GMT 12 Oct 93

[Text] Quito, 12 Oct (EFE)—Foreign Minister Diego Paredes said today that Ecuador has not used the phrase "nonaggression pact" and has not proposed this to Peru, because there is no place for such a thing in the relations of "friendship and dialogue" currently reigning between the two countries. He told reporters that "this has no place here, because of the spirit of dialogue, friendship, and understanding that exists between Ecuador and Peru."

Paredes explained that while at the United Nations he had offered Peru "an invitation on behalf of Ecuador and President Sixto Duran-Ballen, to reach a commitment not to use force or the threat of force." This invitation, he added, has sparked "nationwide support. We will eliminate the word aggression as it has no justification or any place in such cordial and friendly relations such as those that unite Ecuador and Peru," Paredes affirmed, while clarifying statements made during his recent speech before the UN General Assembly.

The foreign minister will accompany President Duran-Ballen on Thursday [14 October] to Chile for the Rio Group summit meeting and carry out an official visit. According to reports, Duran-Ballen will meet there with his Peruvian colleague Alberto Fujimori, with whom he will set a date for his next visit to Lima.

Since 1990, the Governments of Peru and Ecuador, whose armies have clashed twice in the last 50 years over an old territorial dispute, have maintained close relations in an attempt to find a solution to the problem. Such relations have allowed Fujimori to carry out three trips to Ecuador. Duran-Ballen announced that he will pay visits to Lima before the end of the year.

Paraguay

Paraguay's Wasmosy on Poverty, Human Rights at Rio Summit

PY1610195193 Asuncion ABC COLOR in Spanish 16 Oct 93 p 9

[Article by special correspondent Nestor D. Escobar Franco]

[Text] Santiago de Chile—Paraguayan President Juan Carlos yesterday said that people degraded by extreme poverty do not understand pluralism, democracy, or respect for human rights. He made this statement during the seventh summit of presidents of the Rio Group which is taking place in this city. He also expressed his satisfaction over the normalization of the course of the Pilcomayo River, and urged the rapid development of free international trade without discrimination.

The Paraguayan president said that the development of the countries in the American continent constitutes their governments' greatest challenge, and they must face this problem with a firm will.

President Wasmosy said that poverty constitutes a danger for democracy. He said that a population faced with an anguishing lack of the means to survive will not listen to valid reasons, nor will they find the practice of heroic virtues acceptable.

The Paraguayan president said that a civilized way of life will give our peoples the moral stature to join the international forums where the economic and social problems of a humanity ravaged by the scourges of violence, hunger, illnesses, vice, and misery are discussed.

"To practice and predicate a democracy beleaguered by the four horsemen of the apocalypse is, if not an impossible task, at least a completely futile one. Let us not forget that social deterioration is greatly contagious. It spreads with bewildering haste and does not respect any kind of border.

"I thus believe that our projects of integration must be strengthened and extended as much as possible both in the region and in its subregions, such as in Mercosur [Common Market of the South] in our case. With this mechanism of mutual aid, within which any integration attempt must be basically founded, nobody can lose. What might today seem like a gain and an advantage for some, to the detriment of others, will in the long run turn out to be bad business, and harmful at that," Wasmosy said.

Wasmosy moreover referred to the resolution and normalization of the flow of the Pilcomayo River, which the day before yesterday again flowed into Paraguayan territory.

"On this occasion I cannot but help refer to the problem between my country and the Argentine Republic over the use of the Pilcomayo River, a geographic boundry between our two countries, which has fortunately been overcome. This issue prompted an adverse reaction in Paraguay due to the way in which it was handled. I thus want to express my desire to restore, as soon as possible, the law and the good understanding on the mentioned subject, which is so sensitive to the public, as are any other issues related to the defense of our sovereignty."

Wasmosy also voiced support for the foreign ministers' declaration issued on 17 September, and voiced his hope that the conditions will be realized for establishing international trade that is free, stable, open, and free from the discriminations imposed by the unfair competition of developed economies.

Ruling Party Says Relations With Wasmosy 'Cordial, Smooth'

PY1610231593 Asuncion ABC COLOR in Spanish 16 Oct 93 p 93

[Text] Relations between President Juan Carlos Wasmosy and Colorado Party leader Blas N. Riquelme are "cordial, smooth and respectful," says a resolution issued last night by the executive commission of the party executive board, which held a surprise meeting yesterday.

The resolution also reiterates party support for the democratic process and "for the constitutional government of Wasmosy, who was elected president as the candidate of the glorious Colorado Party."

The document released by the party leadership calls on Colorado Party members and on the public in general to contribute to building a country for all Paraguayans.

The resolution by the party executive commission, which is presided over by Riquelme, was released at a time when there are comments that relations between Wasmosy and the Colorado leader are not good.

The conflicting opinions of both government leaders were clearly seen in connection with the violent events in front of Congress. While Riquelme supported his demonstrating fellow party members, Wasmosy regarded the demonstration as an attack against his government and against the democratic process.

According to the resolution by the party executive commission, the statement was released in light of "the ill-intentioned campaign of some mass media and political spokesmen."

Wasmosy and Riquelme Will Hold Talks

According to government party sources, this statement seeks to overcome the disagreement between Riquelme and Wasmosy. The two leaders will engage in a dialogue over the next few days. It was reported that as of now the Colorado Party leadership will strongly support government work.

Deputy Accuses Colorado Leaders of 'Attacking' Wasmosy

PY1710005793 Asuncion ULTIMA HORA in Spanish 13 Oct 93 p 3

[Text] Colorado Deputy Luiz Angel Gonzalez Macchi, from the Argana faction, last night said during a meeting of the Asuncion Command of the Colorado Reconciliation Movement that Vice President Angel Roberto Seifart, Colorado Party President Blas N. Riquelme, and some military officers (sic) "are shooting at" President Juan Carlos Wasmosy. He said that Wasmosy is currently alone, as if on an island, and without the support of the Colorado Party executive board which took him to power.

"The president is like Robinson Crusoe. We are in total anarchy. Seifart is on one side, Riquelme on the other, and Wasmosy is alone," he said, basin himself on concrete facts such as the latest contradictory statements made by Riquelme, and the unclear position of Seifart as member of the Colorado Party executive board.

Gonzalez Macchi said that the Colorado Party is not doing anything to cooperate with the Wasmosy administration, despite the alleged expressions of support the party made after the demonstration that took place in front of the national Congress. "This party executive board should reorient its guidelines if it wants to cooperate with Wasmosy, the candidate it supported. I repeat that the Colorado Party executive board is attacking Wasmosy and harming him," he added.

Gonzalez Macchi said that Wasmosy is just now learning what kind of political leader Blas N. Riquelme is. He added that Wasmosy's visit to Congress yesterday was aimed not only at supporting the work of the congressmen, but also to ask for reciprocity given the crisis that is evidently taking place. The Legislative Branch must defend the Constitution and the representative institutions when faced with coup attempts, Gonzalez Macchi stated.

Article Eyes Possible 'Institutional' Coup Against Wasmosy

PY1610225393 Asuncion ULTIMA HORA in Spanish 13 Oct 93 p 2

[Article by Jose Maria Costa]

[Text] The growing gap between the government of Juan Carlos Wasmosy and the party power exercised by Blas N. Riquelme is becoming increasingly obvious after the latest political events. The evaluation made by members of the pro-Argana movement of the Colorado Party last night, noting that Wasmosy's own fellow party members—led by Riquelme, General Lino Oviedo, and Angel Seifart—are "shooting" at the Wasmosy administration, is quite credible.

In fact, the steps that the president took after the events in front of Congress reveal that this action was planned without his being aware of it. Wasmosy dealt three blows in response to that attack on his government: He ordered an investigation into the interior minister's behavior (the minister was recommended by Riquelme); he dismissed the police chief (who believed he enjoyed the support of the military leadership, led by Oviedo); and he went to Congress to express support, but above all to seek an ally for his government in view of the possible break with his original supporters (the Colorado Party and the military leadership).

Riquelme's absence duing Wasmosy's visit to Congress yesterday illustrates this situation. The presence of Seifart—and his remarks "matching" Wasmosy's position on the events in front of Congress—might disprove the report that the vice president wants to "shoot" at the president.

An Institutional "Coup?"

However, it should not be forgotten that another possible option for the "shooters" who want Wasmosy to fail is an institutional exit, with no unconstitutional breaks. Seifart can properly replace a president who might be forced to resign because he no longer has the support of the party and of the military leadership. Seifart is a party man who might be an ally to the military. Some people still recall a report that the Wasmosy government supposedly had a period of 100 days in which to demonstrate that it supports the interests of those who promoted his candidacy.

In addition, if Seifart takes over under such circumstances, he would no longer be rival to the other presidential candidates that are emerging for 1998.

Searching for Support

For some days now the newspaper PATRIA has tried to conceal the distance between Wasmosy and Riquelme. The president is also looking for support from the presidents of Colorado Party precincts: He has already promised posts, and he yesterday invited them to accompany him and Uruguayan President Luis Alberto Lacalle to an official ceremony. This happened a few hours after he delivered a speech to Congress in which he repudiated the attack last Thursday, which he regarded as an attack against the process of transition. In his speech, Wasmosy also praised Congress, which had been insulted by several Colorado and military leaders, and said he intended to govern "without internal or external tutors," but with "the support of Congress."

Some lawmakers' reactions were meaningful. "Democracy does not accept provocateurs," Wasmosy said. Some lawmakers, like [Febrerista Party leader] Euclides Acevedo, said this morning that Lino Oviedo is one of these provocateurs.

Ruling, Opposition Parties Sign Governability Pact

PY1610025293 Asuncion ABC COLOR in Spanish 15 Oct 93 p 3

["Text" of governability pact signed by the ruling Colorado Party and the opposition Authentic Radical Liberal Party, Christian Democratic Party, and Febrerista Revolutionary Party in Asuncion on 14 October 1993—quotation marks as published]

[Text] "Party representatives today gathered to draw up the bases for a political accord that may contribute to the Republic's governability, to the implementation of solutions requested by the majority of our people, and to rescuing our historic role, which demands that the national government put an end to sectarianism and

futile clashes. They have also agreed to establish the following bases for future accords on political issues.

Definition

The governability pact will be an open interparty agreement that will exclude no one. Its objective will be to establish a responsible and permanent dialogue, and to enable the parties to jointly seek solutions to the political, economic, social, and environmental problems that concern the Paraguayan people.

This proposal reflects that the political parties participating in this pact value dialogue as a fundamental tool for democratic coexistence, which will permit combining the enjoyment of broad public freedoms with social and economic development.

Objective

The fundamental objectives of this pact will be:

1. To strengthen the democratic institutions established by the national Constitution.

2. To fight all forms of corruption, moral and material; to restore Paraguayan society's belief in ethical and spiritual values, and its confidence in the value of labor, professional competence, and honesty; as well as to reject the cultural wickedness that has adulterated the intrinsic nobility of Paraguayans.

3. To organize and improve campaigns coordinated to overcome the challenges posed by the current levels of poverty, unemployment, and lack of opportunities for the younger generations.

To promote a massive program for educational recovery, and to improve the health services to the benefit of the people.

4. To fully shape a state of law supported by an independent judicial branch, based on the honesty of its magistrates, electoral courts that ensure the equity and openness of the electoral process, and armed forces devoted strictly to the institutional roles assigned them by the national Constitution.

5. To help formulate a rational model for the reform of governmental functions and of the resources assigned to it, so that the government can more effectively serve society.

6. To respect the functioning, balance, and interdependency of the government branches, without seeking to replace the competence of any of them; as well as to direct to them, through the appropriate channels, the agreements resulting from dialogue.

To ensure the continuity of dialogue and a thorough discussion of the objectives agreed upon, we agree to confirm the functioning of this interparty discussion board, in which all national organizations can participate, and to establish the mechanisms that can better lead to their effective promotion.

Confidence in these high ideals does not mean avoiding the difficulties or discrepancies that may appear during this dialogue, although these can be overcome through consensus, goodwill, and patriotism."

Chamber President Finds Argentine Congress' Support Ironic

PY1610210693 Asuncion HOY in Spanish 16 Oct 93 p 2

[Excerpts] In a phone conversation with journalists from Buenos Aires, Dr. Francisco Jose de Vargas, president of the Chamber of Deputies, yesterday lamented the fact that while he had received support from his Argentine peers over the attack on Congress in Asuncion, [Authentic Radical Liberal Party leader] Dr. Domingo Laino had embraced [Colorado Party President] Blas N. Riquelme in Asuncion. [passage omitted]

The Argentine Congress will on Monday [18 October] approve a resolution supporting the Paraguayan Congress. "I feel quite ridiculous in this situation, because while my Argentine peers are giving me their support, a pact is signed in Asuncion, and Laino embraces the mentor of the attack on Congress, who aided and abetted these deeds. What kind of governability can we have when those who attacked Congress are freely walking about the streets, despite warrants for their arrest, making fun of the public?" said De Vargas. [passage omitted]

Congressional President Views Relations With PRC

PY1510172193 Asuncion ABC COLOR in Spanish 13 Oct 93 p 5

[Interview with Congress President Evelio Fernandez Arevalos by unidentified reporter; place and date not given]

[Text] [ABC COLOR] How will the PRC delegation visit benefit our country?

[Fernandez] First, personal contacts are always the basis for a later broadening of relations. It paves the way for institutional relations. Their personal acquaintance with our national reality and our personal acquaintance with these officials is of capital importance because China has a population of 1,1 billion people and is a member of the United Nations and the Security Council.

Therefore, it makes a lot of sense for our country to seek some kind of approach and relations with this country. We would only be accepting what reality advises us to accept. They (Chinese legislators) represent the Chinese Government and consequently a positive step toward future closer relations, particularly in the field of trade.

Let us just look at the Uruguayan example. Uruguay signed a trade treaty with the PRC which has benefited both countries. The benefit is so great that all Uruguayan wool production is today exported to China.

This is an example of what we can do in the future. We must consider that China is a fabulous market for anyone. Our actions are based on the principle that our foreign policy must definitively drop all ideological obstacles. This is a good opportunity to begin relations that can become stronger in the future.

[ABC COLOR] Can we talk about relations at the diplomatic level?

[Fernandez] We can think in those terms, but I favor doing things with order and prudence. Perhaps we could begin by establishing consular and trade relations. We may even talk about the possibility of a treaty, and then as a consequence, about establishing permanent diplomatic relations. Of course, the latter will be possible only if the previous steps I have just mentioned benefit both countries.

[ABC COLOR] What is your opinion about the executive branch decision to refuse to meet with the visiting Chinese delegation?

[Fernandez] The Executive Branch is somewhat tied because we do not maintain diplomatic relations with the PRC. I think protocol rules establish that they cannot be received as official guests, neither can they hold official meetings with the Chinese delegation. But we do not have that kind of problems and are a type of accidental channel for relations, at least for initial relations with that delegation.

[ABC COLOR] Do you think there might be other elements that will prevent future executive branch contacts with the PRC?

[Fernandez] My first impression is that the possibility of working out a program for relations with the PRC has not been seriously considered. Our Foreign Ministry has not considered the issue seriously but it is a good time for it to begin. By doing so, the Foreign Ministry will only be accepting the facts and the principles of public international law.

[ABC COLOR] In 1989 you presented a draft declaration in which you recommended that the Executive Branch should eliminate all ideological barriers and establish of relations with all countries. Did the Executive Branch ever take the idea into account?

[Fernandez] It did not take it into account for all practical purposes. We also have to consider that during this time we witnessed the collapse of Eastern European and Asian Communist regimes but that collapse did not affect the PRC in any way. Therefore the issue is still pending. In my opinion it not only affects Communist regimes but all regimes. There is a need to do away with all ideological hurdles in the path of our international relations.

Peru

State of Emergency Extended in Huanuco Department

PA1510200793 Lima Radio Programas del Peru Network in Spanish 1800 GMT 15 Oct 93

[Text] Following a request from the Armed Forces Joint Command, the Executive Branch has extended for 60 days the state of emergency in Huanuco Department, with the exception of Puerto Inca Province and Huacrachuco District. The state of emergency includes San Martin and Yurimagua regions, Alta Amazonas Province, Loreto Department, according to a supreme decree published in EL PERUANO.

Because of this, constitutional guarantees having to do with home privacy; the right to decide where to live; the right unarmed persons to meet peacefully without being arrested, unless there is a warrant to that effect by a judge or unless a person is surprised committing a crime, are suspended. Consequently, the Armed Forces will maintain internal control and intensify counterinsurgency operations in the region until total peace has been restored.

Several Provinces

PA1610182393 Paris AFP in Spanish 1647 GMT 16 Oct 93

[Text] Lima, 16 Oct (AFP)—Official sources reported today that at least 11 people were killed in subversive actions in the last 48 hours. At the same time, the government has extended the state of emergency in several provinces of eight departments.

In the bloodiest incident, a suspected Shining Path column, led by a woman, shot to death five members of peasant defense patrols who were resisting an attack on the village of Chuquibamba, Cajamarca, 850 km northeast of Lima, on 14 October, authorities in the region reported.

Domingo Sanchez, governor of the village of Pampash, Huaraz, 400 km northeast of Lima, and Eugenio Quispe, justice of the peace of Orurillo District, Puno, 1,300 km to the southeast, were killed by terrorist units on the same day.

According to a communique issued by the Political-Military Command of the Central Region, two Shining Path members were killed and another captured on 15 October in a clash with a military patrol in Laguna Supococha, Huacanvelica, 500 km southeast of Lima. That same day, another subversive column entered Accha District in Paruro Province, 1,300 km southeast of Lima, and shot and killed Mayor Rogelio Huaman and Governor Aurelio Bacafuerte, according to reports by Guido Pereyra, prefect in that region.

Effective today, the government has extended for 60 days the state of emergency in several provinces of

Ayacucho, Huancavelica, Junin, Pasco, and Puno Departments (central and southeastern Andean region) and San Martin, Loreto, and Huanuco Departments (Peru's Amazon region) because terrorist actions continue in those areas. According to the supreme decrees on the extension of the state of emergency published in the official newspaper EL PERUANO, constitutional guarantees will continue to be suspended and the Armed Forces will remain in charge of the preservation of public order in the aforementioned regions.

Since the "armed struggle" began in Ayacucho in 1980, more than 60 percent of Peru has been under this special measure.

Shining Path Leader Cox Sentenced to Life in Prison

PA1510192393 Lima Radio Programas del Peru Network in Spanish 1800 GMT 15 Oct 93

[Text] At noon today a special military judge from the Army's Second Judicial Zone sentenced Edmundo Cox Beuzeville, alias Federico, a leader of the genocidal Shining Path, to life in prison. According to a note from the Supreme Council of Military Justice, it has been established that after the arrest of Abimael Guzman, Cox assumed the leadership of the Central Committee of that bloody terrorist organization.

The note adds: Found guilty of treason to the fatherland, Cox will be confined for life in the Yanamayo, Puno, maximum security prison and must pay 500 million soles in civil reparations to the Peruvian state.

As Shining Path's leader since September 1992, when the organization's head—the so-called President Gonzalo—fell into the authorities' hands, Cox Beuzeville ordered many terrorist actions that included the use of weapons, explosives, and car bombs throughout the country, resulting in many deaths and a great deal of public and private property damage.

Businessman Freed After Counterterrorism Operation

PA1510155593 Lima Panamericana Television Network in Spanish 1200 GMT 15 Oct 93

[Text] Japanese businessman Raul Iraoka was freed this morning at dawn after being held hostage for more than three months by the Tupac Amaru Revolutionary Movement [MRTA]. A thorough operation by personnel from DINCOTE [National Counterterrorism Directorate] and the Kidnap Investigation Division led to a search conducted at 2100 yesterday at a home located on the seventh block of the Vesalio turnoff in San Borja District. Following a shootout and in response to policemen's constant calls for their surrender, the subversives finally laid down their weapons.

Preliminary police reports indicate that five MRTA activists surrendered, and it has been confirmed that at least one of them was taken to DINCOTE's offices.

The terrorists' capture led to the search of another house at manzana A, lot 37 in the Eastern Aurora neighborhood in Zurquillo District. In an operation characterized by secrecy, dozens of heavily armed policemen surrounded the house before becoming engaged in a shootout. The subversives, who were also members of MRTA, surrendered in view of the area police's greater strength. The police seized several grenades and a considerable amount of weapons.

At 0445 today, Iraoka was finally released. He left the house in San Borja District under heavy protection and was taken to his home in Corpac neighborhood in San Isidro.

The entire operation and searches of three homes were conducted by DINCOTE Director General Victor Dominguez in the presence of a judge with whom he spent more than five hours at the three homes, all of which are now under police surveillance.

Fujimori Comments on Rio Group Summit Results

PA1710192093 Lima Global de Television Network in Spanish 0100 GMT 17 Oct 93

[From the "Direct Line" newscast]

[Text] After attending the Rio Group Summit in Santiago de Chile, President Alberto Fujimori has returned to the capital. He said that this kind of international forum has gone from being romantic to being practical and useful.

Meanwhile, he announced that the cases of approximately 50 Peruvian exiles charged with terrorism, who are in Chile, will be reviewed.

The president made statements shortly before the presidential plane landed in Air Group No. 8.

[Begin recording] [Fujimori] We have [words indistinct] promote a visit I made to Asia. We discussed in general terms the Lima Convention and there is excellent willingness to settle differences. I think we understand each other well.

Both parties have tasked the Negotiating Commission, which could even be expanded, with resolving some pending details.

[Unidentified reporter] Mr. President, yesterday you delivered a speech during the second meeting of the Rio Group Summit held in the afternoon in which you referred to the arms race and the struggle to overcome social problems and poverty. This speech resulted in the protocol being broken, because you were acclaimed. Several of your colleagues, including the president of Mexico, had words of affection for you and for Peru. What prompted you to make a speech of this nature? How do you view this, Mr. President?

[Fujimori] The issue of the second session was the social aspect and the struggle against poverty. This situation of

poverty stems from several factors that are known to all; one of them is the arms race of the last few years. This generated large expenses and, what is worse, expenses that have become a heavy debt. This results in payments for servicing the debt and interest, which, if destined to fight poverty, we would not have this problem.

What must we do from here on? We must reduce the arms spending through agreements among our bordering countries so as to earmark these significant sums for social aspects. This is what I believe.... [pauses] Well, I have seldom treated this issue with such frankness and in such a direct manner. This is what caused an impact. [end recording]

Crude Oil Reserves Estimated at 400 Million Barrels

PA151017 1993 Madrid EFE in Spanish 2159 GMT 10 Oct 93

[Text] Lima, 10 Oct (EFE)—Luis del Castillo, director general of the Energy and Mines Ministry's Petroleum Products Department, has reported that Peru's crude oil reserves amount to 400 million barrels. Peru's current production is 130,000 daily barrels. The official said the oil reserves increased by 50 million barrels as the result of exploration activities conducted by a U.S. contractor, Occidental Petroleum, in the Peruvian jungle.

Del Castillo told the state news agency ANDINA that the daily production increased by 15,000 barrels for a total of 130,000 as the result of higher production of the state-owned enterprise Petroperu's Petromar and Occidental wells.

He also said the bylaws necessary to enforce the new General Sector Law approved by the Peruvian Congress are being drafted. The new petroleum products law provides great opportunities for foreign investors with certain incentives and puts an end to the state monopoly in the field.

Venezuela

Haiti Intervention Neither Approved Nor Supported

PA181801 2193 Paris AFP in Spanish 2259 GMT 17 Oct 93

[Text] Caracas, 17 Oct (AFP)—Venezuela neither approves of nor supports unilateral action in Haiti, Foreign Minister Fernando Ochoa Antich has said when questioned about the possible U.S. intervention on the Caribbean island after the violent events of the past days.

"We support multilateral actions, but in no way do we approve of or support a unilateral action," Ochoa said upon his return from Santiago, Chile, where he participated with President Ramon Velasquez in the Rio Summit.

Ochoa added that the government is studying the situation in Haiti, given the noncompliance by Raoul Cedras' de facto regime to the agreements reached on Governor's Island. These agreements include the return of ousted President Jean-Bertrand Aristide.

The Venezuelan foreign minister reiterated that the Venezuelan position supports the UN Security Council's decision regarding the resumption of the blockade and supports the OAS ambassadors' meeting to analyze the Haitian crisis.

"Venezuela supports the embargo and the search of vessels, because it is a decision of the UN Security Council, which is a multilateral organization," he reiterated.

When referring to the Rio Summit, Ochoa said that President Ramon J. Velasquez at this meeting had the opportunity to explain to the Latin American presidents "the Venezuelan crisis with his deep knowledge of the situation," besides demonstrating before the international public opinion "the degree of stability that Venezuelan society has recovered."

Velasquez Briefs Officials on Trip to Trinidad and Tobago

PA171014093 Caracas EL UNIVERSAL in Spanish 14 Oct 93 p1-14

[Text] President Ramon J. Velasquez met last night at Miraflores Palace with several ministers and members of the Military High Command to report on his recent trip to Trinidad and Tobago.

The information was disclosed by Defense Minister Vice Admiral Radames Munoz Leon, who said that during the meeting, the president explained the scope of and benefits that the country will obtain from agreements signed during the Caricom [Caribbean Common Market] Presidential Summit and Velasquez' meetings with the Group of Three presidents.

The defense minister added that the details of the Republic Plan and the participation of each branch of the Armed Forces in it were also discussed during the working meeting. In this regard, he said that six days before the elections, the Armed Forces will be deployed to the many electoral centers to begin the difficult task of distributing voting ballots to every corner of the country.

When asked if the Armed Forces would be willing to collaborate with OAS international observers in supervising our electoral process, Minister Munoz Leon said that foreign observers have participated in all elections during this democratic period. This is nothing new. It has always been this way, he added. The Armed Forces have always cooperated in this sense.

[Unidentified reporter] But, do you know if they are coming?

[Munoz] We do not know yet. The Supreme Electoral Council, the president, and the Foreign Relations Ministry will decide that.

Meanwhile, Foreign Relations Minister Carlos Delgado Chapellin, referring to this meeting, pointed out that the Executive Branch is willing to offer its support to the Supreme Electoral Council so that these elections, as all Venezuelans hope, will successfully end on 5 December.

Cabinet Discusses Revamp of Foreign Department

PA1510132593 Caracas EL DIARIO DE CARACAS in Spanish 12 Oct 93 p 21

[Article by Jose M. Rojas]

[Text] The National Security Council has met at Miraflores Palace to analyze thoroughly the problem of 2.5 million illegal aliens who are in the country, as well as to discuss the need to reform the Law on Foreigners, the Law on the Activities of Foreigners, and to completely revise the Foreign Affairs Department.

To this effect, Interior Minister Carlos Delgado Chapellin pointed out that it was decided to handle in an adequate manner the issue of the illegal aliens in Venezuela, because according to statistics, illegal aliens seriously affect our public services. Statistics showed, according to the interior minister, that illegal aliens occupy most of the hospital beds and are crowding the schools. Therefore, it is necessary to have regulations to handle this problem in a modern manner, respecting their human rights and bearing in mind certain areas where foreigners work.

The Presidential Commission on the Delimitation of the Marine and Submarine Areas with the Republic of Colombia also presented a report on its conclusions.

With regard to terrorism, Minister Delgado Chapellin did not rule out that there is a political factor involved in the attacks that took place in August.

Finance Minister Carlos Rafael Silva also attended the meeting of the Security and Defense Cabinet, and it is believed that his presence was related to the participation of people from the financial community in these acts of terrorism.

For his part, Defense Minister Rear Admiral Radames Munoz Leon admitted that it is possible that members of the FAN [National Armed Forces] have circumvented the control regime that safeguards weapons and explosives.

The arrested military men will not be tried in military courts but, rather, in civilian courts, said the minister, who added that the full weight of the law will be applied to them.

Munoz Leon pointed out that when it was learned that investigations pointed to three members of the military (two members of the Armed Forces of National Cooperation and another from the Navy), all three were turned over to the Judicial Technical Police for interrogation.

The minister noted that so far a recommendation he made for controlling FAN explosives has not yet been signed. This proposal is being studied by the Office of the Attorney General of the Republic, and it must later be approved by the Interior Ministry and the Presidency.

Presidential Candidate Velasquez Interviewed

PA1710034893

[Editorial Report] Caracas Radio Caracas Television Network in Spanish at 0200 GMT on 11 October broadcast live a 73-minute interview with Andres Velasquez, Radical Cause Party presidential candidate and former governor of Bolivar State, during the "Front Page" program hosted by Marcel Granier at Radio Caracas Television studios in Caracas.

Granier starts the interview by asking Velasquez to assess the country's situation and explain what he has to offer Venezuela. Velasquez answers that "I am optimistic and I believe in the potential of all our people. This country still has resources despite the poverty facing us, despite the adverse economic situation. Venezuela has important resources; it has its people and their determination to move forward." Velasquez adds that he trusts that the political problem, which is "the most serious problem of the crisis facing us," will be settled.

Granier then asks Velasquez to explain what, in his opinion, is the political problem. The Radical Cause Party candidate answers that it is "the change in government that must take place; this is the first major step toward eliminating the country's evils."

When asked whether he would become just another president who made promises but failed to deliver, Velasquez says that the fact that recent presidents acted in that way only underscores the need to stop 35 years of presidents that belonged to traditional parties. Velasquez criticizes candidate and former President Rafael Caldera for the "terrible and unforgivable mistake he made" of eliminating technical schools, because one of the current obstacles standing in the way of foreign investment in Venezuela is the shortage of skilled Venezuelan labor caused by this measure.

Granier asks Velasquez what he has to offer in the education area. He answers that "the first thing this government must understand is that there can be no development without education. The government must understand that education is the backbone of that cultural step forward and the pursuit to turn Venezuela from a bankrupt country from a production standpoint, to effect that great production revolution, to turn it into a productive country."

When program host Granier asks Velasquez whether he considers himself to be a caudillo, he responds: "Absolutely not, but I think that the country requires a good measure of authority." Velasquez adds that the public thinks "there is no government here; the people say we need government and authority." He says that law must prevail and be applied equally to everyone.

The presidential candidate says that "a government that is respectful of the law does not contradict the concept of democracy." He adds that he is no caudillo but would not hesitate to fire inefficient government officials and employees.

In response to whether his clashes with the defense minister reflect his brand of government should he win the Presidency, Velasquez answers no, because he has maintained "good relations with the National Armed Forces in Bolivar State."

Velasquez says that "I have never dared ask a soldier—regardless of how good our friendship is—to join the Radical Cause Party." Velasquez adds that he has criticized strongly the fact that political parties have manipulated promotions in the Armed Forces. He says that his public differences with the defense minister "should in no way be interpreted as a confrontation with the Armed Forces, because the minister cannot claim to represent the entire military institution." Velasquez says that the defense minister has voiced his opinions on all types of issues and has become a type of "secretary general of a political party."

When asked to comment on the poor performance of the Venezuelan Corporation of Guayana, Velasquez says that he has always opposed the company privatizations in which workers are the most affected. The candidate adds that he has also permanently denounced corrupt management of companies that make up this corporation.

Velasquez says that the country wants to know the truth about the problems facing this corporation. He adds that the country should establish joint ventures and continue the privatization process but "above all, national interest must prevail."

Program host Garnier asks Velasquez to whom is he referring when he says "when we reach power." The presidential candidate replies: "To the Venezuelan people, because I would not rule for the Radical Cause Party and those around me but for the country, for all of Venezuela, for large- and small-scale businessmen, for this country's workers." Velasquez adds that he would surround himself with honest people who love their country without regard for their political persuasion. He says that a collective effort is needed to overcome the crisis.

Granier says that it seems that people distrust collective efforts. Velasquez says that the most recent administrations damaged the country's moral fabric. He adds that one of his goals will be to raise Venezuelans' dignity and self-esteem. The Radical Cause Party candidate says that "a people without dignity and self-esteem are unable to honor commitments. I want this country to feel proud of its nationality. I want its citizens to feel proud of their racial heritage." He adds that this will be possible if the government sets the example; this would be possible with "a government that has credibility and leadership." Velasquez cites his many accomplishments as governor of Bolivar State.

Velasquez concludes the interview with the following statement: "We have suffered the same calamities for 35 years, the same faces, same vices, and same partisan perversion. We are in a new electoral process. These people, the same parties want to extend this state of things to 40 years. I think now is the time to stop them."

Velasquez adds that "now is the time to make them pay for unfulfilled promises." He urges everyone to vote. The candidate says that "this is not my commitment with the country; this is also your commitment with the country and with those who in one way or another want to do something good for our fatherland."

Government Unable To Pay Special Bonus to Employees

PA1510200393 Caracas Venezolana de Television Network in Spanish 1550 GMT 15 Oct 93

[From "The News" newscast]

[Text] The Executive Branch does not have the funds to pay a single bonus [bono unico] to its employees, which is due today. According to Finance Minister Carlos Rafael Silva, the government was expecting the approval of a special allocation for 80 billion bolivares. The Senate Financial Commission, however, decided to cut that figure to 37 billion bolivares, because of a lack of funds. The special bonus, which is equal to two months pay, will probably not be paid during October.

Guyana

UN Mediator on Progress of Talks With Venezuela

FL1610162793 Bridgetown CANA in English 1532 GMT 16 Oct 93

[Text] Georgetown, Guyana, 16 Oct, CANA—UN-appointed mediator in a more than century-old territorial dispute between Guyana and Venezuela, Sir Alister McIntyre, says the pace of progress towards a peaceful solution is "reasonably encouraging." Sir Alister, retained by the United Nations as a "good officer" in the dispute, left here Friday after holding talks with President Cheddi Jagan, government ministers, the opposition, labour movement, the University of Guyana, and the business community. But the academic was reluctant to suggest a time frame for settling the dispute, saying it would be "foolhardy" to do so.

"I can say that I have found it (the pace) reasonably satisfactory and I have been encouraged by the improved and improving state of understanding between the two parties," said the University of the West Indies vice-chancellor at a news briefing.

"I can say without going into details that the atmosphere existing between the two countries is very good. Co-operation is advancing on a number of fronts—in the field of trade, finance, transport, technical assistance and there does exist an area of understanding as to the value of closer relations between the two countries," he said.

Venezuela has a longstanding claim to two thirds of Guyana, or the entire mineral-rich Essequibo region which is says it was robbed in a faulty land settlement around 1848. Relations between the two South American neighbours had deteriorated to an all-time lows in the 1970's and early 1980's, but improved substantially after late Guyana President Forbes Burnham died in 1985.

"I think there is a lot of movement in the right direction and hopefully, whichever government comes into office in Caracas after their December 5 elections will have a number of building blocks available to it for advancing the discussions on this particular issue," Sir Alister said.

McIntyre said he did not expect any change in Venezuela's policy even if the ruling party lost December elections.

"I have found in my conversations with the political leaders in Venezuela a common desire to achieve a peaceful settlement of the issue which of course is mutually satisfactory to both sides." McIntyre, a former Caribbean Community (Caricom) secretary general, said he has not detected any major differences of approach among the opposition in the oil-producing country.

The foreign ministers of the two countries—Clement Rohee of Guyana and Fernando Antich Ochoa—were in New York last month to meet U.N secretary general, Butrus Butrus-Ghali. They are to return to New York next month end for another meeting with top U.N. officials. Rohee Thursday told CANA McIntyre's visit is aimed at "dynamising" the "good offices" process. He said the administration had no fears of a change of direction in Venezuela if a new government was elected.